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Yugoslavia. Laws, statutes, etc.

THE YUGOSLAV SOCIAL PLAN FOR 1964

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THE LAW ON ECONOMIC PLANNING MEASURES IN 1964

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THE LAW ON THE FEDERAL BUDGET FOR 1964

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THE FEDERAL BUDGET FOR 1964

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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

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YUGOSLAV SOCIAL PLAN FOR THE YEAR 1964

On the basis of Article 217, Paragraph 1, Item 1, of the Constitution of the Socialist Federal Republic of Yugoslavia, I issue the following

DECREE

PROCLAIMING THE YUGOSLAV SOCIAL PLAN FOR THE YEAR 1964

The Yugoslav Social Plan for the year 1964, which was adopted by the Federal Assembly at the session of the Federal Chamber of December 20, 1963, and at the session of the Economic Chamber at the session of December 20, 1963, is hereby proclaimed.

P.R. No. 17

Belgrade, December 24, 1963

President of the Republic,

Josip Broz Tito (s)

President of the
Federal Assembly,

Edvard Kardelj (s)

YUGOSLAV SOCIAL PLAN FOR THE YEAR 1964

Part One

In deciding on the Draft Yugoslav Social Plan for the year 1964, submitted by the Federal Executive Council, and taking into consideration the examination of the problems of this Plan in the highest organs of the Federal Chamber of the Economy, the Yugoslav Federation of Trade Unions, and the Standing City Conference of Yugoslavia, in which representatives of the organs of the Federal Executive Council also participated, and relying on cooperation in the preparation of the drafts of social plans between the organs of the Federal Executive Council and the organs of the Republics, and on analyses by the Federal Institute for Economic Planning and by other public organs and institutions, the Federal Assembly notes the following:

The favourable trends in the economy which, after a period of two years of slower economic growth, started to manifest themselves during the second half of the year 1962, continued in all the fields of economic activity in the year 1963, too. The satisfactory results achieved this year, together with the activation of new production capacities, with possibilities for a further expansion of trade with foreign countries, and with the further development of socio-political relations, and the improvement of their forms, make it possible for the favourable trends in the development of our economy manifested in the year 1963, to be continued in the year 1964, too.

Among the favourable results achieved in the year 1963, especially prominent are the high growth rates of the economy and productivity of labour, the further expansion of economic relations with foreign countries, and the greater harmony between the development of production and consumption, all of which made it possible to achieve in that year an important growth of real consumption, and to create conditions necessary for a further and faster economic development. Such relusts justify as realistic expectations that the guidelines, targets, and tasks of the Social Plan for the year 1963 will be fully achieved, and in certain sectors even considerably exceeded.

Such developments in our economy also indicate qualitatively new trends in our entire economic life, which are, above all, a result of the more stimulating effects of our economic system and of its further perfecting of a quicker and more successful adaptation of our economy to the new economic conditions, as well as of the activity of all the subjective forces of our society in the implementation of the resolutions and attitudes of the Executive Committee, and of the Fourth Plenum, of the Central Committee of the League of Communists of Yugoslavia.

Other factors have also contributed to, and inspired the successful development of our economy in the year 1963. A simultaneous and harmonious development of personal consumption and capacity expenditures created room and conditions necessary for the expansion of the production intended for the domestic market, while bigger exports proved to be an important component of development without which it is impossible to achieve, at the level of economic development achieved so far, neither a rapid growth nor other positive effects in business operations. The restored harmony between the growth of the productivity of labour and the real personal incomes, which had been lagging behind the growth of productivity of labour in the preceding year, has been another factor in the accelerated economic development, and in the creation of conditions for greater economic stability.

The successful economic development has also been made possible by an increase in production capacities, and by better production possibilities, in almost all economic activities, by a considerably better supply of semi-finished goods and row materials (reprodukcioni materijal), as well as by the perfecting of production through the introduction of more modern technology and through the modernization of many of our economic organizations, in which progress in the expanding of cooperation and specialization in producing organizations, and the strengthening of integration processes in the whole of our economy, have had a considerable share.

The general momentum of over-all production. has also been inspired and facilitated by measures of our current economic policy, especially by credit and monetary policy measures. Harmonious relations between the purchasing power and supply, achieved by means of more flexible credits, have created more favourable conditions for the development of production and for the sale of part of surplus stocks od certain goods produced during the preceding period.

The favourable trends in the economy in the year 1963 were also accompanied by certain problems, to the settlement of which this Plan devotes special attention, and such attention must also be devoted to it by the plans of all socio-political communities and work organizations, as well as by all public organs which will be deciding on measures of the current economic policy in the year 1964.

Among those problems, besides the unsolved, or inappropriately solved, problems in the fields of our economic system, especially prominent are the overstrained state of the power supply system, and the shortage of plants for the production of certain reproduction materials (reprodukcioni materijal) which it is inexpedient to procure by import. The shortage in certain basic agricultural products, especially livestock breeding products which are still far behind the growing needs, has also been an important factor of market instability, and a factor which restricted a more rapid, real growth of personal consumption. In the year 1963, the serious disharmony between the transport capacities and the needs of our economy was markedly demonstrated, which could have an unfavourable effect on the trends in the economy in the coming year. The problems in the market have been further aggravated by the permanent lagging behind of the capacity of sevicing activities, and of retail trade, while the lack of sufficient reserves of certain articles important for general consumption and reproduction (reprodukcija), stresses the urgent need for the accumulation of larger quantities of reserves of such articles.

Through measures of our economic policy and through appropriate activity by all public factors, it will be necessary to secure conditions for the continuation, in the year 1964, too, of the favourable developments in the economy, and for a fuller manifestation of the positive trends, from the year 1963, parallel with the removal of the shortcomings manifested this year, and parallel with the settlement of those problems which might impede favourable economic development in the coming year. Our economic policy in the year 1964, as the first year of the new Seven-Year Plan, should, by further developing the positive trends from the year 1963, ensure a successful, harmonious and rapid economic development, which would also be in the spirit of the basic concept of the development of our economy during the coming seven-year period.

In this connection, for the purpose of ensuring an immediate and steady development of the economy in the year 1964, and also bearing in mind the fact that the aims and tasks of this Plan represent a part of the realization of the Seven-Year Plan, the basic economic-political aims of development should, above all, be directed towards the strengthening and further development of the system of self-management; towards a further development of our economic system for the purpose of perfecting and improving conditions for business operations; towards the achievement of the further dynamic growth of production and productivity of labour; the achievement of higher standards of living; the growth of personal consumption and social standards in proportion to the increase in the productivity of labour; towards the expansion of foreign trade, and especially towards a further growth of exports; towards a further development of the underdeveloped Republics and regions; and towards a still more resolute orientation towards the activation of reserves in the production capacities, and of surplus labour force in work organizations.

Besides the general economic and social conditions, such a development of our economy in the year 1964 will be ensured especially by the measures which have already been undertaken, or are being prepared, in the direction of the further development and perfecting of our economic system upon foundations which have found their expression in the Constitution of the Socialist Federal Republic of Yugoslavia. In this respect, especially prominent are the questions in connection with the equalization of working conditions, and of conditions for earning income, between individual economic branches, or groups of economic organizations.

Quick economic development in the coming year will also be made possible by considerable investments which have already been made in the reconstruction and modernization of existing plants, and in the construction of new ones, as well as by the utilization of still insufficiently exploited capacities, by conditions already created for improving the economic position of our agriculture, parallel with an improvement in the supply of reproduction materials, and also by expanded activity in our economy towards an increase in exports, which is an essential condition and requirement for a quicker growth of production.

The essentially new tendency, which is becoming more and more common in our work collectives, towards achieving an increase in production parallel with a moderate growth of employment and a relatively high growth of productivity of labour, will also contribute to our successful development. Such relations have been achieved, above all, through the development of internal distribution in work organizations, and through the finding of more appropriate standards and criteria for the distribution of personal incomes in proportion to the success in work achieved in individual jobs, in a work unit, and in a work organization as a whole. The further advancement of internal distribution on the principles of the most consistent possible distribution in proportion to the work done, will strengthen the orientation of work organizations towards seeking an increase in their real incomes through the only rational policy--through increased production, and increased productivity of labour.

The great importance which scientific research has for social and economic development imperatively demands considerably greater and more permanent participation by all factors in the greatest possible acceleration of the development of scientific research for the purpose of removing as soon as possible the relative lag in this field of public activity, and in conformity with the needs and aims of economic and social development under the new Seven-Year Plan.

In order to ensure the realization of the aims, and to execute the tasks, under this Social Plan, and thereby to ensure a further general material and cultural progress of the Yugoslav socialist community, as well as a further growth of the economy, and of the population's living standards, further activity and further efforts by all social and political organizations, and by all the organs of social self-management, towards the realization of those aims and execution of those tasks, are imperatively needed.

Taking into consideration the results of the economic development to date, especially the development achieved in the year 1963, as well as the possibilities offered thereby for economic development in the year 1964 and in the following years, and for the satisfying of social needs which have to be ensured by that development, and relying upon a further and fuller activation of all material and social forces for the development of social production and socialist social relations, the Federal Assembly, under this Plan, fixes the aims and tasks of economic and general social development, and the guidelines for the economic policy which all public factors will be realizing in the year 1964.

Part Two

Chapter I

PRODUCTION

1. On the basis of the available production capacities and the relistically assessed conditions for supplying production with reproduction materials, as well as on the basis of possibilities for marketing products in the internal market and for further increasing our exports, it is possible to anticipate a growth of the total production in the year 1964 by about 10 per cent, and of production in the state sector by about 12 per cent.

This estimate of the growth of production is based on the operation of the above-stated factors of that growth, and on the already manifested trends of developments in the economy, and reckons upon average weather conditions for agricultural production and for the production of electric energy. Taking into consideration the possible, greater effects of the further perfecting of our economic system, and a fuller adaptation of economic organizations to the operation of this system, as well as the further utilization of possibilities for increasing our exports, even better results could be achieved in production. Thereby, specific reserves are created, which will permit a more reliable and fuller realization of the aims and tasks fixed by this Plan, and an easier adaptation of the implementation of the guidelines of the economic policy for the year 1964 to the conditions which will actually prevail in that year.

2. Reckoning upon a further favourable effect of the general business conditions, and upon the continuation of those positive trends which, in the year 1963, led to a quick growth of industrial production, parallel with an important increase in the productivity of labour, and with an increased and more effective axploitation of production capacities, and more realistic possibilities for supplying our industry with reproduction materials, and also taking into consideration conditions for the marketing of industrial products in the domestic market, or for their export, and the limitations which specific restrictive factors impose upon industrial production, it is possible to anticipate a growth of industrial production in the year 1964 by about 11 per cent, parallel with a growth of the productivity of labour by 8 per cent. In this connection,

it is anticipated that the electric power production will grow by about 8 per cent; the production of basic metals, just under 5 per cent; the production of equipment and durable consumer goods, about 12 per cent; the production of chemical industry, about 17 per cent; the industrial processing of agricultural products, about 12 per cent; the industrial processing of wood, about 15 per cent; the production of materials intended for building, about 11 per cent; and the production of the textile, leather, and rubber industries, about 10 per cent.

The achievement of those production targets in the year 1964 will largely depend on possibilities for a successful elimination of the unfavourable effects of specific factors, which otherwise could essentially slow down both the tempo of industrial development in the coming year and the realization of the long-term aims of our economic policy. Among those factors, prominent are: a relative lag in the production of those articles which have favourable, long-term prospects for export; over-strained power supply balance; the shortage of plants for the production of certain specific reproduction materials, especially metallurgical products; and transport difficulties. Although preliminary decisions have already been rendered on the construction of necessary plants for the purpose of eliminating some of the more important structural disharmonies in production, and while certain other decisions are being prepared, we still cannot reckon upon the effect of these construction projects during the year 1964 because of the long-term character of the activation of those investments. It will therefore be necessary to direct measures of the current economic policy and the available funds towards the maximum mobilization of given possibilities, and towards the activation of existing latent reserves in this branch of production. Therefore, in the year 1964 one of the primary tasks of the basic branches (nosioci) of economic activity will be that of making concerted efforts for the maximum exploitation of existing plants which supply our economy with electric power, raw materials, and semi-finished products.

In order to be able to continue in the year 1964, too, our more rapid inclusion in international trade, and in order to be able to exploit all the advantages which an expanded export market offers for increased rationality of production, it will be necessary for work organizations, commercial banks, and all active factors in our economy to pay special attention to the quatitative and qualitative promotion of exports. Such an orientation is particularly important bearing in mind the fact that, in view of the relatively slow growth of production for exports, in the year 1964, we reckon upon and increase in industrial exports of about 12 per cent, that is, a rate of increase which will not essentially exceed the production rate. For the further progress of our industry and of our entire economy, it would be of first-rate importance if, through an initiative by producers, and above all through a better utilization of reserves in existing capacities, through a more intensive exploitation of natural resources, and through an appropriate adjustment of the quality and assortments of products to the requirements of foreign markets, the tempo of exports were increased above the foreseen rate. Orientation towards such an increase in exports in the year 1964 must be one of the basic aims of industrial production, the more so because, besides the need for solving the question of the balance of payments, increased exports--in view of the expansion of the market--would at the same time improve conditions for production.

For the limitations which are imposed upon the growth of industrial production by the power supply balance (energetska bilansa), which is based on the assumption of the existence of average annual climatic conditions, to be relaxed and for possibilities to be created thereby for the exploitation of existing reserves, and for the industry's quicker growth than is foreseen, it will be necessary to ensure, by special measures, coordination of electric energy production and consumption, and also to undertake urgent technical measures to reduce losses in the grid and in the delivery, to effect overhauling in electric energy stations during periods of relatively smaller electric energy consumption, and to undertake all measures for a more rapid construction of electric energy plants. It will also be necessary to ensure higher electric energy imports, and thereby, where possible, ensure higher production and export. Electric power organizations and communities should take the most responsible approach to the task of supplying production regularly and appropriately with electric energy.

The relative lag in the production of metallurgical branches demands that producers of ferrous and non-ferrous metallurgy products, and of other basic massive raw materials and reproduction materials, make concerted efforts for the maximum exploitation and activation of plants under construction.

Although the shortage in the production of cement in the year 1964 will be covered by imports, the shortage of plants for the production of cement will also in the years ahead be a considerably restrictive factor in our building construction activity, so that a solution for this problem, besides those solutions which may result from a more intensive exploitation of existing plants, should also be sought through an urgent construction of new plants.

By streamlining the resources of the public investment funds and the resources of banks towards appropriate investments, by engaging the resources of work organizations and by other investment policy measures, it will above all be necessary to overcome (resavati) markedly restrictive factors of the growth of industrial production, and by measures and activities in the field of business association on the broadest basis, and by other measures, to provide for the utilization of all the potentials which are at the disposal of our industry at the present level of its development.

3. Following a considerable increase in agricultural production in the year 1963, it is anticipated that, under average weather conditions, it will be possible to achieve in the year 1964 an increase in the physical volume of total agricultural production of about 7 per cent; in production on state-owned farms, about 16 per cent; in production by private producers in cooperation with socialist economic organizations, about 33 per cent; and in total production by private producers, about 5.5 per cent.

It is also estimated that the total crop farming production will grow by about 8 per cent, and livestock production by about 8.5 per cent. In this connection, we reckon upon a wheat production of about 4.6 million tons, maize about 6.3 million tons, sugar beet about 3 million tons, and meat about 670,000 tons.

The available meterial resources, especially supplies of reproduction materials, together with the full mobilization of agricultural organizations, especially agricultural cooperatives and other organizations, should permit the achievement of even higher rates of growth, and of an even greater production of certain articles. Action programs, which are to be introduced by economic chambers, associations of producers, and similar institutions, will also contribute to a greater and more rational utilization of production capacities, of the labour force, and of the supplies of reproduction materials which are available.

An increase in the number of livestock and the securing of conditions for an increased production of livestock products, especially pork, poultry, milk and eggs, remains one of the basic tasks in the year 1964, too. For the execution of this task, besides increased guaranteed prices and increased premiums for milk and meat introduced during the year 1963, sufficient quantities of imported animal fodder have been provided for the year 1964, and stocks of animal fodder with agricultural producers have also been increased. Conditions have thus been created for increasing livestock production on state-owned farms, as well as on those farms which cooperate with private producers. Besides the execution of these tasks in livestock breeding, the increasing of wheat production in the year 1964 will also be one of the most important tasks, and it will be necessary to mobilize all forces for the purpose of executing this task.

The growth of agricultural production will also be influenced by the improved economic position of our agriculture, which has already made agricultural organizations, and private producers as well , more interested in a greater orientation towards a more effective utilization of the available resources, through cooperation between private producers and organizations in the socialist sector, towards the introduction of modern technology for the purpose of increasing production.

On state-owned farms, as a result of an increase in purchasing prices, which was made in preceding years, those prices have become more stimulating for the development of production; the conclusion of contracts for production and delivery, will continue to provide a strong stimulus for an increase in the production of the most important agricultural products; areas under crops will be larger by about 11 per cent; new areas under fruit orchards and vineyards will start yielding fruit and grapes; there will be a broader application of modern technology; and, in view of the greater profitability which is achieved through such application, there will also be a greater utilization of artificial fertilizers and of other modern means of production--concentrated animal fodder, means for the protection of plants and livestock, and so forth. It will be especially noted that funds were secured in the year 1963 for the purchase of the necessary quantities of artificial fertilizers and concentrated animal fodder from foreign countries.

Increased production and a higher productivity of labour on state-owned farms will also be a result of the better utilization of the available means of production; of a more firm orientation towards the modernization of the production of individual products; of improvements in the organization of work; and of a further promotion of those internal relations which stimulate the interest of all factors on the farms to achieve better results in production. In this connection, it will be necessary to devote special attention to an increase in the number, and to an improvement in the composition and qualifications, of technical personnel in agricultural organizations.

The economic measures carried out in the year 1962 and 1963 have also created conditions suitable for a faster development of cooperation relationships between agricultural cooperatives and private producers. Besides crop farming, private producers are becoming especially interested in cooperation in livestock breeding. This cooperation is of special significance for increased meat production for the market. In the year 1964, cooperation in livestock breeding is to be increased by about 50 per cent.

By means of increased investments of funds from all sources in agricultural production, especially of the money lying in the investment funds of socio-political communities and cities, a possibility should be created in the year 1964 for increasing the areas of land owned by the state, and for providing agricultural organizations with mechanized equipment, above all for the equipment of general agricultural cooperatives with tractors and combine harvesters for the purpose of extending cooperation in crop farming, and improving services.

4. In the field of forestry, the felling of trees in the socialist sector in the year 1964 is to amount to 10.6 million cubic meters, that is about 5 per cent more that the estimated figure for the felling of trees in the year 1963. This should provide raw materials necessary for the processing of wood in our industry, as well as forestry products and products of the primary processing of wood for export.

For the realization of the projected volume and structure of production, especially with respect to coniferous trees, it will ne necessary to improve conditions for the conduct of business by economic organizations in forestry, and in the timber and wood industry, both with respect to the regulation of the prices of forestry products and their adjustment to the prices of semi-finished and finished articles, and with respect to measures for the reconstruction, modernization, and technical equipment of the timber and wood industry, and forest exploitation projects. This should also permit an intensification of forest-growing projects, which have been stagnating, or lagging behind, during the past few years, as well as a more rapid construction of forest roads and other communications. For the completion of the projected tasks in our forestry, it will be necessary, besides the funds of economic organizations, to secure also supplementary resources from the funds of socio-political communities, and from the funds of commercial banks.

5. The realization of the projected volume and structure of investments requires a growth of production in the building construction industry of the socialist sector by about 12 per cent in the year 1964. This projected volume of construction work in the year 1964, with the shifting of its structure in the direction of architectural construction projects (visokogradnja), as well as the anticipated growth of construction work in the years ahead, require a considerable expansion of the material base of our building industry, both by increasing the production of modern building materials and structures for more rational construction work, and by considerably increasing the equipment for the mechanization of the building industry.

For this increased work to be completed as rationally as possible, it will be necessary, by rendering on time decisions on projected construction work, and by concluding contracts, to provide for sound and timely preparations; to create the most stable possible relations by specifying obligations under the contracts with respect to the securing of funds, as well as with respect to prices and time-limits for the completion of projects; and to ensure continuity in the construction of a structure by placing orders on time and by timely deliveries of building materials, and other construction materials and elements, and thereby to ensure also smooth production and the fullest possible utilization of the industrial and transport capacities used by our building industry.

The increase in the volume of house-building requires an even hastier and bolder introduction of the system of the production of apartments for sale, which system will considerably contribute to the introduction of modern engineering and technology, to an increase in the productivity of labour, and to more rational house-building activities generally. The introduction of the system of production of apartments for sale also makes possible a further advancement of the organization of enterprises which are producing apartments, with regard to specialization, cooperation, and integration. The construction enterprises should be granted credits for working capital for such production of apartments from the house-building funds and from the funds of commercial banks, and from other available sources, under the same conditions as those under which such credits are granted to other producers.

The tasks in connection with the rebuilding and development of Skoplje demand that the economic organizations of our building industry make special efforts this year again for the execution of those tasks.

The economic organizations of our building industry should orientate themselves more and more towards the complete development of capital projects, and should, on this basis, make use of the advantages which cooperation offers, also in this particular field.

With the estimated improvement in the organization of work and with increased capital investments, above all those in the construction machinery, an increase in the productivity of labour in our building trade by about 6.5 per cent, can be expected.

6. The projected development of production, internal and international trade, personal consumption, and tourism, will require a growth of the volume of transport services by about 7 per cent, and on internal transport of goods by about 10 per cent.

In view of the possibilities for achieving a greater volume of industrial, agricultural, and other production, of foreign trade, and of goods in transit, needs of our economy for transport services may be even greater than foreseen hereabove.

Bearing in mind the difficulties which occured in the year 1963 in meeting the economy's needs in transport services, primarily because of inappropriate transport capacities, the achievement of a considerably greater volume of transport in the year 1964 will require special measures and efforts, especially with railway, river and road transport.

The lagging of the transport capacity behind the needs of our economy, could create serious difficulties for our economic development. For this reason it will be necessary to direct the investment capital available in the transport industry primarily towards the expansion of transport capacities, and towards the removal of so-called "bottlenecks" by means of expansion, reconstruction, and modernization projects. In order to establish more quickly conditions for a more harmonious development of transport, the Republics, the srez and opstina, commercial banks, and users of transport services, must, besides work organizations, participate in the financing of investments in the field of transport on a much larger scale than to date. The federal funds are intended mainly for the building of basic communication arteries important for the whole of the country, and special decisions on their construction have already been rendered. Those funds are directed so as to achieve the most successful utilization of those communications through a quicker activation of individual projects, or sections of communications.

Parallel with the investments, it will also be necessary to undertake other measures to increase transport capacities. For this purpose, it will be necessary, especially by long-term cooperation between users of transport services and transport work organizations, and by a fuller coordination of individual transport activities, to achieve the best possible utilization of existing transport capacities, the most rational possible distribution of transport services among the individual branches of the transport industry, and the greatest possible degree of continuity in transport.

A better utilization of transport capacities and a higher degree of continuity (ravnomernost) should be ensured by introducing the system of the conclusion of long-term contracts between transport work organizations and the users of transport services; by the special organization of the transportation of large quantities of goods; by speeding up loading and unloading activities by means of better organization; by the broader application of mechanized equipment, and by the introduction of non-stop work at the larger loading and unloading centers; by speeding up the transportation and circulation of transport vehicles; by speeding up repairs of transport vehicles; as well as by undertaking other organizational, economic, and technical measures.

For the purpose of achieving a more rational distribution of transport, and of relieving the pressure on the railways, it will be necessary to make a greater use of road transport when transporting goods on short distances; to make a better organized and fuller use of motor vehicles owned by individual enterprises to meet their own requirements;

and also to engage river transport enterprises more for the internal transportation, and for the exportation of goods, especially in combined railway and river transport.

For the purpose of establishing more harmonious relations between the transport industry and the other branches of the economy, it will be necessary to improve in the year 1964 conditions for business operation of work organizations in the field of transport, and to undertake measures for the fuller application of the general principles of the economic system to the business operations of those organizations. To that end, responsible organs shall examine the possibility for making changes in the system of amortization, and for changes in the system of the formation, and in the method of fixing transportation charges in the field of transport services. It is particularly important to stimulate the interest of work communities to become the basic factor in the settlement of the problem of transport, by creating appropriate general conditions for the functioning of work organizations in the transport industry, and by perfecting the internal relations in those organizations.

Besides the measures for the solving of the current problems in the transport industry, it shall be necessary to undertake in the year 1964 also measures for ensuring a long-term development of transport, especially for the preparation of transport capacities which can not be secured in shorter periods, such as the conclusion of contracts for long-term deliveries of railway transport vehicles, and so forth.

7. On the basis of the anticipated trends of production and consumption, it is expected that retail trade will grow in 1964 by about 12.5 per cent, and wholesale trade by about 11 per cent.

For the purpose of realizing this volume of business, it shall be necessary ro increase efforts for a fuller and quicker development of the commercial network, with the object of improving as soon as possible conditions for supplying the customers and for marketing products.

It will be necessary to devote special attention to the solving of the problem of the material development of the commercial network because, despite the increased investments, only a relative progress has so far been achieved, which does not correspond to the increased number of the population, nor to the realized business, and still less to the growing production and demand. Since the lagging of the development of our commercial network behind the development of production represents a serious impediment to the realization of production, and to the supplying of customers on a scale which would correspond to the available stocks of goods, it shall be necessary to expand, and provide with modern servicing equipment, the retail commercial network, especially the network which deals in footstuffs, and at the same time to expand the storage space in the section for storage and preservation of stocks of goods.

The modernization of the existing, and the construction of new, modern shops and warehousing space, with the basic orientation towards the removal of so-called "bottlenecks" in the trade in goods, should be achieved, wherever possible and useful, parallel with the creation of big, modernly organized and equipped commercial organizations, with a wider sphere of activities.

In connection with the anticipated quicker development of modern commercial structures, which should make possible and speed up the trade in both the agricultural and industrial goods, it shall be necessary to intensify the investment of the funds of commercial economic organizations in such structures, and in the same way to invest the money lying in the public investment funds, the money obtained from rents for business premises, as well as the money of which the banks and the interested producers' organizations freely dispose.

In view of the existing problem of supply of agricultural foodsuffs, especially meat, milk and meat and dairy products, the prices of which have considerably gone up in 1963, it shall be necessary for the efforts of the communes and of the supply organizations to be directed, in 1964, too, towards the timely provisioning of the market with sufficient quantities of agricultural foodstuffs and towards the stabilisation of the prices of those foodstuffs. To this end, it shall be necessary to maintain and further perfect the existing practice of concluding contracts in advance on production for the needs of cities, industrial centers and tourist centers, a practice which has yielded positive results in the supply of vegetables. It shall be necessary to devote still greater attention to the strengthening and proper utilization of the Risk Funds in 1964, in order to ensure thereby also the production and sale of agricultural foodstuffs in accordance with the needs of consumers.

In the sector of trade in industrial goods, it shall be necessary to ensure that the commercial network conveys to the producers more directly the demands of the consumers, in order to achieve greater harmony between demand and supply in the industrial goods market.

A better supply of the commercial network and a more normal circulation of goods should be ensured also by an adequate credit policy.

8. In the year 1964, it shall be necessary to continue efforts in the direction of the further successful development of tourism in the more important places and areas which possess conditions for increasing the domestic and foreign tourist trade and for the achieving of economic benefits from that trade.

With the aim of developing domestic tourism, it shall be necessary in 1964 to expand still further these tourist facilities which serve for the accommodation and feeding of the workingmen and of the members of their families, or children and youth when taking their annual, weekly and daily vacations, and also to improve further the conditions under which it will be possible to use those facilities.

In connection with this, it shall be necessary to ensure the adequate investment of money from the Common Utilization Funds of the economic organizations, and of the money of the social organizations and of the socio-political communities for the expansion of the capacities of the rest centers, summer resports, camps and other tourist settlements which are to contribute to a broader and more intensive development of domestic tourism. A quicker development of the domestic tourist trade can be achieved also by means of the further expansion of facilities for the accommodation of the domestic tourists in private homes, which should be encouraged by suitable measures.

In connection with the development of domestic tourism, it shall be necessary to pay attention to the better utilization of the capacities of the existing rest centers. The existing capacities of the rest centers, in view of their uneven utilization, represent an important resource in tourism so that it is possible to meet more fully the needs of the domestic tourism by the more consistent introduction of differentiated prices during the season and outside the season, by a more even planning of annual vacations, as well as by the more consistent application of economic principles in business, and by other similar measures.

In connection with the aniticipated development of domestic tourism, it would be necessary for the federal, republican and communal authorities to consider as soon as possible the problems of the organization of tourism and to develop and perfect the legislation on tourism by introducing general and special regulations by which the conditions for the development of the domestic tourism will be ensured.

The very favourable results achieved in 1963 in the expansion and promotion of the material basis of tourism, in the development of the tourist trade, and in increasing of the economic and financial benefits from foreign tourism, make it possible to continue in 1964, too, the policy of speeding up the development of all the activities in connection with tourist services.

For 1964, we anticipate a further growth of night-lodgings by foreign visitors of about 26 per cent and a growth of the foreign exchange inflow from those visitors of about 36 per cent.

The realization of such an increase in the number of foreign visitors demands also increased activity on the part of the economic organizations which occupy themselves with the receiving of foreign tourists and tourist services, as well as a full support by the communes and other social factors in connection with the realization of the anticipated development of tourist facilities. It shall be necessary, in connection with this, to improve the customs service and the frontier control service further and to improve the material conditions of their work, so that there the performance of the customs and other formalities of the frontiers can be improved and speeded up.

The federal authority will participate in 1964 in the granting of credits for investment in the construction of the structures intended for the promotion of foreign tourism, and at the same time adequate investment of funds of the economic organizations, communes and republics, and of funds from other sources, shall be ensured.

It is estimated that the business in goods and services in our hotel industry in 1964 will grow by about 10 per cent. In connection with this, it is anticipated that the hotel business will increase its efforts in the direction of better and more fully meeting of the considerably increased demand for accommodation and feeding services. Such efforts are especially needed because of the anticipation of a considerable expansion of the accomodation capacities intended for the development of tourism, as well as because of a more intensive expansion of modern industrial capacities for feeding pruposes not only in our tourist places but also in our industrial centers and other places. In 1964, it shall be necessary to ensure the further modernization of the existing hotel structures and the creation of big, modernly equipped and organized hotel organizations.

For the quality of the catering services to be raised to a higher level, it shall be necessary during the coming period to undertake special measures for the training of the hotel personnel and for faster engaging of skilled workers in the hotel organizations.

9. In the field of crafts, we anticipate a growth of the production and services of about 10 per cent; in the socialist sector a growth of over 12 per cent.

For the purpose of achieving the anticipated volume and improving the craft services, and thereby meeting more fully the demands for these services, it shall be necessary to direct the efforts and available funds towards the expansion and better utilization of the service units by means of their modernization and specialization, as well as towards the creation of new service units. The producers of durable goods should also contribute much to the increase in the capacity of the service crafts.

For the purpose of a fuller meeting of the needs for services, it shall be necessary for the socio-political communities to increase investments in the service crafts, and also to ensure by adequate measures more favourable conditions for the development of the service crafts. Besides this, it shall be necessary to undertake special measures for the professional training of craft workers and for their more rapid joining economic organizations, and also to devote more attention to the education of the craft apprentices and to the creation of material conditions for increasing the number of craft apprentices. It shall be necessary to encourage also the private craftsmen to join on a large scale in the meeting of the needs for craft services and adequate tax policy.

Chapter II

ECONOMIC RELATIONS WITH FOREIGN COUNTRIES

1. The growth of the exports of goods and services, which has been very considerable during the past two years and which during both those years has amounted to 40 per cent, will be continued, although at a slower rate, in 1964, too. The projected growth of production will make it possible to increase the exports of goods and services by about 13 per cent next year.

The slower growth of exports in the year 1964, makes it necessary to undertake measures to lower the costs and to ensure highest production of goods intended for export, on the basis of a fuller utilization and modernization of existing plants, and through cooperation and specialization. Likewise, it shall be necessary to create appropriate conditions for a better adjustment of the structure of production to the possibilities for sale in the foreign markets.

An increase in the revenues from exports in the coming year will be achieved just as in the past, mainly by increasing the export of industrial goods, and to a smaller extent, by increasing the export of agricultural products. A considerable growth of revenues is anticipated from non-commodity business, that is, from foreign tourism, from transport services, and from monetary transfers.

2. The reduction in the import of basic foodstuffs, which should come about as a result of this year's more favourahle harvest, will make it possible in the year 1964, despite a considerable increase in the imports of other consumer goods and of means of production, to effect the total expenditures on the import of goods and services with a smaller increase in their amount than in the year 1963.

We shall secure through imports quantities of reproduction materials necessary for the realization of the planned growth of industrial production, considerably larger quantities of means for the advancement of agricultural production, as well as larger quantities of animal fodder for the purpose of stabilizing the prices of those products, and contributing to a more intensive fattening of livestock. At the same time, possibilities will be created for a considerable increase in the import of equipment, for imports necessary for the development of Skoplje, for increased imports of consumer goods, and for payment of non-commodity expenditures.

3. The promotion of trade with individual regions and countries on the basis of increased imports, and on the basis of the adjustment of the structure of those imports to the needs of the economically most advantageous relations in foreign trade, will contribute to an increase in exports and to a fuller participation by our economy in the international division of labour.

The extension of the scope of economically advantageous production cooperation, also represents an important factor for the expansion of economic relations with foreign countries. Therefore this cooperation should be extended by means of discovering new areas in which such cooperation can be achieved, and by means of more intensive forms of association in the various phases of production cooperation, including also joint technological and economic research, designing (projektovanje), and participation in third markets.

The increase in the stocks of goods on the basis of bigger imports, and the orientation towards the achievement of more harmonious regional relations by means of the adaptation of the structure of goods exchanges, could contribute to a growth of exports beyond the level foreseen by the Plan. By a better utilization of existing plants on the basis of the increased import of reproduction materials and equipment, as well as by increasing the import of goods for personal consumption even beyond the level set by the Plan, it will be possible to ensure additional stocks of goods of domestic production for export, and to create conditions for increased sales of our products in various countries.

Within the framework of our economic system, and of the foreign trade system in particular, it shall be necessary to strive towards making more objective (objektiviziranje kriterijuma) those criteria according to which the exchange of individual kinds of goods with foreign countries is being effected, while ensuring a more rational protection of the domestic production. To this end, a further and more decisive relaxation of those administrative restrictive measures in connection with imports, especially in connection with imports for the production of goods intended for export, which act as a factor which restricts the promotion of trade and of production, becomes an important condition for the realization of more favourable relations in foreign trade.

By the credit policy measures and by the terms and conditions of granting credits, it shall be necessary to boost exports, and production for export.

4. Orientation towards bigger imports from those countries in which we have available necessary amounts of funds for payment, it shall be necessary to reduce the existing plus balances in the clearing arrangements, and to establish conditions for more intensive exports to those countries.

With this end in view, it shall be necessary by readapting the structure of the goods exchange, to secure conditions for an increase in this exchange, or, if necessary, to undertake measures to harmonize the development of exports to individual countries and areas with the development of imports from those countries and areas.

The increase in volume, and the expansion of the structure of imports from the developing countries, will contribute to an increase in their foreign exchange revenues, which will permit them to effect bigger purchases in our country. Reductions in customs duties and in internal taxes on the import of tropical goods from those countries will also contribute towards this.

5. The adjustment of our foreign trade network to the specific conditions of trading with individual areas and countries, as well as a better coordination of relations between all the pillars (nosioci) of foreign trade activity in our country should also contribute to the promotion of the exchange of goods.

6. Though an improvement in the ratio between exports and imports, next year we shall reduce the deficit in our balance of payments. It will be necessary to strive to achieve this reduction in the deficit at the highest possible level of foreign trade business, while paying attention to the most favourable regional deployment of trade. At the same time, we reckon upon a further increase in our foreign exchange reserves.

7. It is to be expected that the forthcoming World Trade and Development Conference and the multilateral negotiations on the lowering of tariffs will contribute to a gradual removal of those obstacles which hamper a more rapid development of international economic cooperation, and the expansion of economic relations between Yugoslavia and other countries.

8. In 1964, on the basis of their existing powers, the Federal Executive Council and responsible organs of the administration will undertake measures necessary for the solving of the tasks enumerated in this Section of the Plan.

Chapter III

EMPLOYMENT

1. During 1962 and 1963, important changes took place in the field of employment. Work organizations in our economy, prompted by the new conditions of doing business and acquiring income, orientated themselves more towards a better utilization of the labour force which they already had at their disposal, and less than before towards new employment, so that the rate of increase of employment has been markedly reduced. This trend and intensity of employment are also influenced by projects for the reconstruction and modernization of producing plants in our economy which, considering the specific nature of new technical and technological changesm demand a smaller rate of employment of new persons even when a considerable increase in production is in question. Similar tendencies are also apparent in public services outside the economy. In the state organs, there has been a mild reduction in the number of employed persons also as a result of the organizational changes which have been carried out.

In the year 1964, too, those same factors, as well as further measures for the purpose of perfecting our economic system, will be operating towards further encouragement of a more rational and more economical utilization of all the factors of production. Bearing this in mind, we expect that in the coming year, with the projected growth of the social product, the number of jobholders in the socialist sector of our economy will be increased by about 4 per cent.

It is expected that the number of newly-employed persons in public services and in the state organs of the authority and administration will be relatively considerably smaller than in the economy. The development of social services, especially of schools, medical establishments, and activities by various social institutions, will, however, also require an appropriate increase in the number of employed persons in those services. Bearing this in mind, it can be expected that the increase in employment in non-economic activities in the coming year will amount to about 1.4 per cent.

2. In the year 1964, it will be of particular importance that work organizations should coordinate their plans and employment policies with those measures which they will be undertaking for the purpose of a gradual transition to a shorter workweek. Therefore, it is estimated that, with shorter working hours, economic organizations will make use of the existing labour force reserves; make more appropriate assignements of employed persons to individual places of work, and establish more favourable relations in the assigning of employed people to various shifts; and also make organized efforts for the purpose of training, retraining and activating as fully as possible, and as effectively as possible, the existing redundant labour force. Moreover, a bolder and broader application of functional and accelerated amortization, under appropriate conditions favourable for the development of production in the coming year, will permit the utilization of existing redundant labour force for work in more shifts, for which considerable reserves still exist in our economy.

For the constitutional provision on the introduction of a 42-hour workweek to be implemented as soon as possible and as fully as possible, it will be necessary, in connection with investments from the public investment funds and from the funds of work organizations, to grant priority to those investments which will contribute more to a higher productivity of labour and to a better utilization of shorter working hours.

3. It is especially expected that, in view of the fact that the existing structure of professional qualifications of jobholders, is still unsatisfactory, work organizations and competent organs in their employment policies will pay attention to the need for improving the structural composition of jobholders. With the arrival of a large number of new personnel who have finished regular schooling, objective conditions now exist for improving more quickly the structural composition of jobholders. The number of persons who will be graduating from universities, from schools of higher learning, and from higher schools, amounts to about 15 per cent of the projected increase in the total number of jobholders in 1964 (compared with 4.7 per cent in 1961); of those with secondary qualifications, about 15.5 per cent; and of those who will be finishing workers' training schools, about 27 per cent. It is therefore expected that work organizations, in their employment policy, will be making maximum use of the possibilities which are offered for improving the professional qualifications of jobholders. Work organizations

should also undertake systematic measures which would help the newly-employed skilled personnel to join with the least possible delay in the work and menagement of the work organization.

4. It would also be necessary to intesify efforts in work organizations towards improving the professional knowledge of the already employed personnel. To this end, broader and more systematic measures should be undertaken for supplementary vocational education and training, for the elimination of illiteracy among employed persons, as well as for a more complete economic education of jobholders. In this work, a more extensive use should be made of cooperation with workers' and people's universities, and with respective schools.

5. In 1964, it will also be necessary to undertake systematic and coordinated action for the purpose of solving the problem of those persons who are temporarily unemployed. This must be the concern not only of labour exchange offices, but also of other bodies who can contribute to a successful settlement of these problems.

For unskilled persons who are temporarily unemployed to be able to get employment more quickly and more successfully, and in order to prevent higher inflow of unskilled labour force in our economy, it will be necessary to undertake organized measures for the preliminary vocational training of such labour force. Measures in this direction should be undertaken, above all, by the opstina, by labour organs, and by labour exchange offices, and should be coordinated with the needs of work organizations for new labour force.

Chapter IV

PRODUCTIVITY OF LABOUR

1. The results achieved in 1963 in raising the productivity of labour, rank among the most important results achieved in that year. The raising of the productivity of labour to a higher level is not only a permanent basis for the elimination of backwardness in all fields of production and social life, and for the continnous raising of standards of living, but also a condition for the overcoming of the biggest difficulties with our economy and its development are directly confronted at the present moment. Only the activation of latent productive forces which exist in the insufficiently exploited producing plants, and in the insufficiently exploited possibilities created by a better organization of work, and by the application of better technology; the development of scientific-research work and the application of its results in production; improvement of the skill of workingpeople; improvement of measures for protection at work; and the activation of other factors of greater productivity of labour—can ensure in the coming year, and with the available means, the achievement of the projected volume of production; an increase in exports, and a reduction in the deficit of the balance of payments; the removal of transport difficulties; and the establishment of more harmonious and stable relations in the internal market; and, at the same time, the achievement of ideas for a further, more rapid growth of production, and for greater effects in the development of the economically underdeveloled regions of the country, or in house-building and in other fields where it is necessary to proceed more quickly. All these are at the same time, ideas for the realization of the projected growth of real consumption and for raising the living standards of the workingpeople, while a substantial increase in the productivity of labour is also an essential condition for the implementation of the constitutional provision on the introduction of a 42-hour workweek.

Since those general business conditions and other factors which during the year 1963 led to a considerable growth of the productivity of labour, will be operating still more fully in 1964, it is anticipated that in the coming year the foreseen growth of the social product will, to a large extent, be a result of the growth of the productivity of labour, and, to a smaller extent, a result of increased employment. For the growth of the social product foreseen by this Plan to be achieved together with the projected growth of employment, the productivity of labour in the socialist sector of the economy should grow by about 7 per cent, in 1964.

2. In 1964, besides the further activation of the other factors of greater productivity of labour, it shall be necessary to devote special attention to the further development and perfecting of the stimulating forms of distribution of net incomes and of personal incomes in work organizations, and to the further development of scientific-research work, and to the application of its results in production.

To this end, it shall be necessary to continue developing and perfecting the system of self-management in work organizations, and the relations and forms of the distribution of their net incomes which will contribute to a complete and consistent implementation of the principle of distribution according to work, and to greater interest on the part of the workers for increasing the productivity of labour, and achieving better economic results generally. It shall also be necessary to continue developing scientific-research work in the bigger and more developed work organizations, and in the joint scientific-research institutions of several organizations and of their associations, as well as developing cooperation between work organizations and scientific-research institutions, giving to that cooperation, whenever possible, a character of permanency. It shall be necessary to ensure this work and cooperation also by means of a greater engagement of resources from work organizations and from the public investment funds, as well as resources from the special public funds for the promotion of scientific-research work, directing those resources primarily towards research projects which can produce greater effects in the growth of the productivity of labour, and in the advancement of technology, and the modernization of production, generally.

Besides scientific-research work, a great influence on the growth of the productivity of labour will also be exercised by a wider exchange of domestic experiences, as well as by a more intensitive introduction of modern foreign achievements. To this end, it shall be necessary to create material and organizational conditions for a more intensive exchange of those technological and organizational experiences which have already been gained, as well as for the purchase of the production and economic documentation in the country and from abroad.

Part Three

Chapter V

AVAILABLE FUNDS AND THEIR DISTRIBUTION

1. The projected production makes it possible for the available domestic funds from the public economy, including also the funds for the requirements of the total reproduction (ukupna reprodukcija), to grow by about 12.4 per cent in 1964.

However, because of the increased instalments on the previously used foreign credits, the net effect of the inflow of revenues from business with foreign countries in 1964, must be expected to be of a smaller amount than in 1963. For this reason, the total available public funds for internal spending will grow nominally by about 12 per cent.

Within the framework of the utilization of the total available funds, a relatively quicker increase in the reproduction expenditures (reprodukciona potrosnja) is foreseen, so that the available funds for final spending (finalna potrosnja) could grow by 11.6 per cent, in 1964.

2. The distribution of the available funds, which is based on the general operation of the economic system and on special measures for the execution of this Plan, should contribute to the creation of conditions for a further growth of production and income, and for the raising of the working people's living standards. Relationships in the incomes distribution should bring the growth of individual forms of expenditure into conformity with the real possibilities of our economy, and with the needs of economic and social development. Such policy of the distribution of income must ensure the maintenance of a balance between stocks of goods and purchasing funds in volume and structure, and thereby also realize projected possibilities for a fuller stabilization of prices, and of the situation in the market generally, during the coming year.

In an endeavour to ensure, according to the possibilities created by the growth of production, also a corresponding growth of the living standards of the working-people, and to make possible the most consistent implementation of the policy of growth of personal incomes in proportion to the growth of production and productivity of labour, the provisions (proporcije) of this Plan, and the economic policy measures upon which it is based, ensure the growth of the total fund of personal spending in the socialist sector in proportion to the growth of production.

The investments in fixed assets (machinery and equipment) in the socilaist sector of the economy in 1964 are to be increased by about 10 per cent, compared with the preceding year, that is, approximately the same as the available funds.

The non-economic investments in basic funds in 1964 are to be increased by about 10 per cent, with an increase in the investment in social standard projects (objekti drustvenog standarda) of 12 per cent. In the case of investments by state organs, a certain reduction in comparison with the year 1963 is anticipated.

Since in 1963 the reserves of goods played a very important role in the achievement of more harmonious trends in consumption, and bearing in mind the need for maintaining in the year 1964 well-balanced relationships in the development of our economy, it will be necessary to pay due attention to the putting aside of larger reserves. In this connection, important investments in the working capital are provided for the year 1964.

The current material outlays on investments in general consumption (opsta potrosnja), are expected to increase in 1964 by about 8 per cent, where the growth of these expenditures on the raising of living standards would amount to about 12 per cent, and of the expenditures of the state organs and national defense to about 6 per cent.

Within the framework of the distribution of the total available funds in 1964, we also reckon upon the setting aside of funds for the economic and federal reserves, in keeping with the special guidelines of this Plan, and with the measures by which they will be carried out.

From the federal funds fixed by this Plan, about 40 billion dinars shall be set aside for economic reserves in 1964, and, within the limits of the available possibilities, the foreign exchange reserves shall also be increased.

3. In accordance with the general regulations on the distribution of public funds, federal funds will be increased in the year 1964 by about 7 per cent, and funds from local sources by about 10 per cent. Since the total available public funds will be increased by about 12 per cent, and funds from the local resources by 12.4 per cent, the funds of the other socio-political communities and work organizations will be growing at a faster rate than the total available public funds.

The federal expenditures, meanwhile, will be increased by 10 per cent, primarily as a result of increased intervention in the economy; repayment of foreign loans; and the granting of credits from the federal funds for the export of equipment. Such a level of federal expenditures cannot be covered by regular federal revenues, so that surplus expenditures must be covered by a loan, the terms and conditions of which shall be regulated by a special law.

4. Through measures of the current economic policy, and particularly through credit policy measures, it shall be necessary to ensure that relationships in the basic distribution of the available funds is realized in keeping with the above-mentioned guidelines and the trends of development of production and available funds.

Chapter VI

PERSONAL CONSUMPTION

1. On the basis of the projected growth of production and productivity of labour, a further growth of real personal consumption will be achieved in 1964. This is one of the essential preconditions for the strengthening of economic activity, and for the realization of the projected aims and tasks in economic development during the coming year. Real personal consumption in the socialist sector in the coming year is to be increased by about 8 per cent. However, the increase in personal spending (osobna potrosnja) in individual work organizations and socio-political communities will depend on the concrete results of work and business in those organizations and socio-political communities.

According to the expected growth of production in agriculture and crafts, it is anticipated that in 1964 there will be a further growth of real personal spending also with private agricultural producers and private craftsmen.

2. Taking into consideration the projected increase in employment, the average real personal incomes per jobholder in economic organizations in 1964 are to be increased by about 7 per cent, that is, in proportion to the projected growth of productivity of labour. Changes in the general level of personal incomes of persons employed in state organs and public services, are to be made in accordance with changes in personal incomes in the economy, and will depend on the results which state organs and public services achieve in satisfying public needs. Such policies of personal incomes in state organs and public services should be borne in mind also when appropriatingthe funds earmarked for those activities.

3. The changes in the system of social security financing have yielded positive results, which have made it possible to spend social security funds, and particularly those of health insurance, more rationally, and to create conditions for further improvements in the protection of

the insured. It is estimated that in 1964 all social security expenditures will be increased by about 11 per cent. In this connection, it is estimated that there will be an increase in health insurance requirements of about 9 per cent, and in those of disability andpension insurance of about 17 per cent, whereby increased outlays for pensions and disability benefits, due to the increased number of pensioners, as well as to changes in the amount of pensions as a result of change in the structure of the pensioned, will be covered. By the formation of disability and pension risk and valorization reserve funds in 1964, funds will be secured for adjusting the receipts of those persons who draw a pension to the trends in the cost of living. The outlays on children's allowance in 1964 will have a milder growth than the projected growth of the total social security expenditures.

In 1964, work organizations and social security self-management organs should continue to improve further the instruments and methods for an appropriate application of the system of social security financing in order to ensure that the direct interests of all those factors which are participating in the implementation of social security are given still fuller expression; to influence a more rational spending of funds; to contribute to stabilization of the funds and to a better protection of the insured, and at the same time, to contribute to a more objective definition of the position of the social security community, and of work organizations. The investment of money representing a positive balance in the health insurance funds should be orientated, under the possibilities foreseen by law, towards the advancement of medical care.

4. For the coming year, a further growth of consumer credits, which had an important share in the increased total personal spending in 1963, is anticipated.

5. It is anticipated that in 1964 the available stocks of foodstuffs for internal consumption will be increased by about 5 per cent to 6 per cent, and the stocks of industrial consumer goods by about 12 per cent, so that in the coming year conditions will exist for the achievement of further favourable results in the policy of stabilizing prices of consumer goods. All the same, a certain increase in the cost of living can be expected in the coming year, too, since for many years past the prices of foodstuffs and services have been steadily going up, and the prices for certain foodstuffs which have been increased this year will,

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to some extent, have an effect on the level of the cost of living in 1964. Responsible organs will be watching the trends in prices and in the cost of living during the course of the year, and will undertake appropriate measures to ensure necessary proportions between increases in real personal incomes of jobholders and the growth of productivity of labour. For this purpose, it shall be necessary to improve the methods for the study of personal incomes, prices, and the cost of living.

It is particularly important that the opstina, especially those in large cities and industrial centers, should work on the stabilization of the prices of services and goods for personal consumption. To achieve this aim, it shall he necessary to make use of the positive experiences gained this year in organizing the supply of fruit, vegetables, eggs and other food articles, the prices of which have a considerable influence on the cost of living. It will be necessary to strengthen the role of risk funds, insurance funds, and other funds, which can ensure more regular supplies of agricultural foodstuffs in cities, and a greater stability of prices in the market.

Chapter VII

INVESTMENTS

1. For the year 1964, a growth of investments in fixed assets (machinery and equipment) of about 10 per cent is foreseen. This increase in the investments corresponds to the anticipated increase in the social product and in the available funds.

The economic structure of investments, which has been changing in recent years as a result of a relative increase in the share of non-economic investments in the total investments, experienced further changes in 1963, in favour of the non-economic investments, primarily as a result of the work on the rebuilding and development of Skoplje. This relation will be maintained, for the same reasons, in 1964, also.

2. The problems which are to be solved by capital investments in 1964, as well as the available material and financial resources, demand that the investment policy of the year 1963 be essentially continued in 1964, too, so that it shall be necessary to endeavour to complete with the least possible delay the projects in hand, especially those which can be quickly put into operation and which can contribute to an increase in production and export. However, in 1964, as the first year of the seven-year period for which a standard (jedinstveni) plan will be introduced, it shall be necessary, besides carrying on the construction of projects under the programs in hand, to make also appropriate preparations for the realization of the investment policy which will be laid down under the Seven-Year Plan.

The problems of the structure of production, as well as the realization of the basic aims and tasks set out in this Plan, demand that in 1964, too, priority in economic investments be given to the modernization, reconstruction, and completion of existing plants, and that the highest possible growth if productivity of labour be ensured thereby. In this connection, appropriate proiority should be given to those projects which have a favourable effect on the balance of payments; to those projects which will extend the energy supply and raw materials base (energetska i sirovinska osnova) of our economy; to the modernization of existing, and the building of new communication arteries; and to an increase in the rolling stock, as well as to the modernization of the commercial network. Parallel with this, it shall be necessary to ensure also the modernization of building trade organizations, because this is a precondition for a successful realization of the investment policy as a whole.

In the investments outside the economy, it shall be necessary to give priority to house-building, as well as to the rebuilding and development of Skoplje.

3. All the socio-political communities, work organizations, and banks, should strive for the relization of the above-stated investment policy, and should ensure its implementation by appropriate measures and available funds. For this purpose, it shall be necessary to encourage the already initiated process of the mobilization of the free funds of work organizations held by the banks, and to provide for their investment in those projects and designs to which priority has to be given.

In 1964, it shall be necessary to direct more effectively the available funds of socio-political communities, work organizations and banks towards those projects and undertakings which had previously been financed by federal funds, such as specific branches of industry, of agriculture, of transport and communications, and of commerce. It shall be necessary to direct towards those purposes, and to use, in a greater measure, also the money lying in the Federal Fund for the Granting of Credits for the Economic Development of the Underdeveloped Regions of the Country.

Funds of commercial banks should in particular be used for the financing of the purchase of equipment for mass production, of vehicles, and of mechanized equipment for loading and unloading, as well as for the financing of the building of apartments for sale.

In 1964, too, the federal authority will, continuing the 1963 investment policy, direct the major portion of the available funds for investment towards providing the necessary energy and raw materials supplies; towards the building of a network of communication arteries and other important structures in the transport service; towards the building of structures which will contribute to the development of tourism; as well as towards projects in the field of agriculture. Federal funds for financing a faster development of the economically underdeveloped Republics and regions in 1964 shall be provided from a special fund, which will be established for this purpose.

Integration and other forms of business cooperation, which will ensure increased production, increased productivity of labour, and increased profitability of business should also be stimulated by the investment policy.

Chapter VIII

DEVELOPMENT OF THE ECONOMICALLY UNDERDEVELOPED REGIONS OF THE COUNTRY

1. In the implementation of the fixed policy of a faster development of the economically underdeveloped regions of the country, investments in those regions from the federal funds shall be continued to be made in the year 1964 from all those funds for financing purposes from which they have been made to date. Following the considerable growth of investments in the economically underdeveloped regions of the country from the federal funds in 1963 by about 32 per cent, a considerably milder growth—that is, about 6 per cent--of these investments in expected in 1964.

Such trends of investments in the economically underdeveloped regions of the country from federal funds in 1964 are a consequence of the completion of the projects in hand financed from all the funds for financing, with the exception of the plants which are being built with the money from the Federal Fund for the Financing of a Faster Economic Development of the Underdeveloped Republics and Regions. The capital of this Fund shall be increased in 1964 by 50 per cent, that is, from 30 billion dinars to 45 billion dinars.

Investments in this filed on the basis of regular credits from the former General Investment Fund, granted on the basis of competitive bids or under special resolutions of the Federal Executive Council, shall grow by about 13 per cent in 1964. The growth of these investments in 1964 will partly be achieved by a considerable increase in the funds for the building of the communication arteries —the Adriatic Highway and the Sarajevo-Ploce railway line. During the year 1964, however, it shall be necessary, with the participation of the federal funds ceded to specialized banks, to start with the realization of new projects in individual sectors of our industry, whose location is not yet known. A number of these projects will certainly be built in the economically underdeveloped regions of the country, so that the total amount of investments in those regions from the federal funds will be even higher.

Within the framework of the specially guaranteed investments in the economically underdeveloped regions of the country, the building of the remaining big projects shall be completed. The projects whose building has been started on the basis of a special credit granted under the 1960 Federal Social Plan, have mainly been completed, so that the funds budgeted on this basis in the year 1964 will be used for the completion of the remaining projects.

2. In the policy of investment from the Federal Fund for the Financing of the Economic Development of the Underdeveloped Regions of the Country, priority should be given to the completion and putting into operation of those projects whose building was started in preceding years. It shall be necessary to devote greater attention to the allocation and structure of new investments, especially with respect to the choice of the projects to be built; their coordination with the general guidelines of the investment policy, and with the needs of the development of our economy as a whole; optimum capacity; introduction of modern engineering and technology; inclusion of new producing plants in the Yugoslav integrational trends; and so forth. In connection with this, priority should be given to those investments which will directly contribute to an increase in production and productivity of labour, as well as to an increase in the Yugoslav economy's possibilities for export.

3. In 1964, too, the federal authority shall provide supplementary funds to investors in the economically underdeveloped regions of the country to cover the federal participation in those investments whose financing from federal funds will be continued, and to provide further funds for those investments whose financing from federal resources has been stopped.

4. In 1964, socio-political communities and work organizations in the economically underdeveloped regions should undertake measures necessary for the creation of favourable conditions for the plants which have already been put into operation, or which are being completed, to achieve the greatest possible effects with respect to production, profitability of investment, and other objectives foreseen in their development programs. To this end, it shall be necessary for the respective federal, republican and other organs, as well as for the more developed work organizations, to take a more active part in the economic development of the economically underdeveloped regions of the country, and to lend the necessary technical assistance, assistance in personnel, and other assistance to the communes and economic organizations in those regions.

5. In order to enable the newly established enterprises, built with the money from the above-mentioned Fund, to overcome more easily temporary difficulties during the initial stages of regular business, responsible organs shall examine the effect of the existing system of the repayment of loans and credits, and, if necessary, propose appropriate measures.

Chapter IX

HOUSING AND COMMUNAL DEVELOPMENT

1. A further increase in the investments in house-building is foreseen for 1964. Together with the funds for the repair and building activities in Skoplje, the public investments in this field should amount to over 300 billion dinars, which is about 14 per cent more than the estimated amount of these investments in 1963.

2. With the funds which will be invested in house-building in 1964, it shall be necessary to achieve greater material effects in the building of apartments and, consequently, in the solving of the housing problem. This represents an important task whose realization should be ensured by adequate funds. The results achieved to date in the volume of house-building are not, however, satisfactory and are considerably behind the needs and the quick increase in the funds for the building of apartments. Many of the economic activities on which the material conditions of house-building depend are undeveloped, or have been developing too slowly, compared with the needs for considerably increasing the volume of house-building. Therefore the responsible organs should examine the problems in those activities on which the large-scale building of apartments depends and undertake appropriate steps in the direction of solving those problems.

3. For the purpose of the more rapid solving of the problem of building of apartments, appropriate changes in the system of financing of house-building will be examined next year, using the experience gained to date. Those changes should make possible the granting of credits to the work organizations and to the citizens under terms and conditions known in advance, which should contribute to a more considerable engaging of private funds for house-building and to a more rational utilization of the public funds intended for house-building.

It shall be necessary to ensure by the change in the system of financing of house-building that the organizations for the production of apartments obtain the status of other producers and that, for that purpose, they be granted credits for working capital in the year 1964.

Changes in the fields of the utilization of apartments and administration of the housing fund shall also be considered during the course of next year.

4. It is estimated that a further important growth of the capital investments in communal activities will be registered in 1964. This is necessary in view of the fact that in the past few years the development of the communal funds has been lagging more and more behind house-building, as well as behind the growth of the general economic activity. For that purpose, it shall be necessary, from Republican and communal resources and from bank resources, in addition to the present sources of financing communal development, to ensure amounts for long-term financing of the building of large communal projects, especially water-mains and sewage systems.

5. In order to ensure a favourable development of the communal activities in the coming year, it shall be necessary to carry out in 1964 a general analysis of the development and state of the communal instalations network as well as an analysis of all the socio-economic relations and problems in this field. Such an analysis should make possible the fixing of a realistic place for this field in the context of the general social and economic development, and also provide more reliable criteria for the streamlining of the funds intended for the development of the communal funds in the direction of expansion of most diverse utilities.

Chapter X

REBUILDING AND DEVELOPMENT OF SKOPLJE

1. In the removing of the heavy consequences caused by the earthquake in Skoplje, the solidarity of the citizens of Yugoslavia, as well as international solidarity, have found full expression. This solidarity has been manifested especially in the receiving and acommodating of the inhabitants; in the extension of technical and other aid for the normalization of life in the city; and in the granting of material aid for the rebuilding and development of the city.

The aid given in labour, in monetary and material means, the funds from the National Loan for Aid to Skoplje, as well as other measures and actions by which aid has been extended, have been directed towards the solving in the year 1963 of only the most basic problems of the destroyed city, providing temporary accommodation for a portion of the population, and the partial normalization of economic life in the city. For this purpose of providing a long-term solution for the problem of rebuilding and development of Skoplje and securing financial means for that purpose, the Federal Assembly has, by a special law, established a Fund for the Rebuilding and Development of Skoplje, secured special revenues for it, and laid down the general conditions for the utilization of the money lying in that Fund.

2. In the year 1963, about 63,000 million dinars was secured for Skoplje from aid, from the National Loan, from federal reserves and from other sources. Besides this, considerable material means have been obtained from the country and from abroad, as well as technical aid by engineering teams. The International Monetary Fund and the International Bank for Reconstruction and Development have also participated in the giving of aid by granting special credits.

Special permanent sources for this Fund have been secured by the Law on Contributions to the Fund for the Rebuilding and Development of Skoplje. It is anticipated that in 1964 about 65,000 million dinars will be obtained from those sources, while the remaining instalments on the subscribed National Loan will yield a further 10,000 dinars in 1964. It is expected that these funds will be increased by new foreign loans, by credits and aid, which will make the efforts of our country in connection with the rebuilding and development of Skoplje easier. It is to be expected that the Resolution passed at the session of the General Assembly of the United Nations, on which occasion international solidarity again found full expression, will also contribute to that.

3. The entire Yugoslav community is to participate in the efforts for the rebuilding and development of Skoplje in 1964, especially by extending technical aid and by other measures which could contribute towards the work being finished more quickly, more successfully and according to the set programs.

Chapter XI

BUDGETS OF SOCIO-POLITICAL COMMUNITIES

1. The total budget expenditures of all the socio-political communities in 1963 will be, it is estimated, realized on a somewhat smaller scale than has been planned for that year. With the exceeding of the plan in almost all the categories of production and consumption, such a trend in budget expenditures during the course of 1963 represented an important factor in the achieving of a general balance on a higher level of the relations formed in production and distribution.

The positive tendencies which have manifested themselves in the budget expenditures in 1963 should continue in 1964, too.

2. In 1964, the personnel and material budget and budget-fund expenditures are set within the limit of the regular incomes which could be achieved in view of the planned growth of the social product. Their growth in 1964 could reach 10 per cent.

Within the foreseen average growth rate of the budget expenditures, the budget and budget-fund personnel expenditures should increase by about 14 per cent, calculating also the funds for increase of the average personal incomes and for a certain growth in the number of jobholders. Such a growth of personnel expenditures, with a slowed-down tempo of employment, would make it possible to partly make up for the manifested lagging by the personal incomes of the persons employed in the state organs of administration behind the personal incomes in our economy.

3. The federal budget expenditures in 1964 will be greater by 14.2 per cent. The somewhat quicker growth in federal budget expenditures is the consequence, in the main, of the increased needs for intervention in our economy by means of refunds, subsidies, and so forth.

The expenditures for these interventions will be increased in 1964 by 23.3 per cent. In the federal budget personnel expenditures, an increase in the incomes of the persons employed in the organs of federal administration in harmony with the general increase of personal incomes in the economy and public services, is foreseen.

4. The manifested tendencies in budget expenditures in 1963 are to be maintained also in the social plans of the Republics, srez and opstina in 1964.

Part Four

Chapter XII

MARKET AND PRICES

1. The stability of the market as a whole and of its individual sectors represents an important factor of the realization of the aims and tasks under this Plan, The foreseen volume and structure of production and consumption of goods and services in 1964 will ensure a well-balanced relationship between demand and supply in the internal market. Stability of these relations will be made possible also by the projected, further expansion of economic relations with foreign countries. Such relations in the internal market and in foreign trade give our work organizations fuller stability and security in business operations, and create favourable general conditions for increasing and promoting production.

2. The insufficient capacity of the production of certain reproduction materials, as well as the still considerable lag in agricultural production, the unfavourable situation with respect to the shopping and warehousing space, the transport difficulties, and other factors, could, however, if their negative effect is not prevented by appropriate measures, lead to certain disproportions in production and consumption, and to corresponding disruptions in the market. A continuous harmonization of material relations in the market, both in its individual sectors and on the whole, must therefore be one of the most important tasks of the current economic policy in 1964.

By public reserves and by other, primarily economic, measures it shall be necessary to ensure more harmonious material relations in the market. In this connection, it is equally important to achieve such relations both in the market of reproduction materials, and capital goods and services, and in the market of goods and services for personal consumption. The opstina, especially those in big cities, must strive for the stabilization of prices of goods and services for personal consumption, and must, by appropriate measures, ensure the best possible supply of the necessary products in the market. For this purpose, it shall be necessary to use, in the fullest possible measure, the experiences gained in 1963 with respect to a better and more regular supply of foodstuffs.

Public control of prices and tariffs will continue to be exercised, with the aim of preventing their possible, unjustified increases.

3. The Federal Executive Council, through its organs, will watch and analyze the trends of prices in the market, and their influence on production, internal consumption, and foreign trade. It shall be necessary to continue examining phenomena and basic disproportions in prices generally, especially those prices which have an unfavourable effect on the economic position of individual economic activities. In accordance with the results of those examinations, and in accordance with material possibilities, it shall be necessary to undertake measures to harmonize price relations as much as possible, and thereby also to harmonize conditions for business operations in various branches of economic activity.

Chapter XIII

CREDIT RELATIONS

1. The principles and aims of the credit-monetary policy in 1964, as well as the mechanism of its implementation, should, in the main, be the same as in 1963, on the understanding that in details they will be adjusted to the new relations which will be created during the further development of our economy next year.

2. The supply of our economy with the means necessary for production, distribution and trade to be achieved within the proportions foreseen by this Plan; the activation of the insufficiently exploited factors of production and of greater productivity of labour; and the achievement of necessary harmony between supply and demand, as well as the achievement of general stability in our economy, are the basic aims which should be achieved by the credit-monetary policy in 1964.

The realization of these aims ought to be more effective in 1964. In this connection, the instruments of our credit policy must be more flexibly adapted to the actual relations which will be created during the year, and must be more quickly and more consistently applied. It shall also be necessary to avoid using bank funds for financing purposes, which may weaken the liquidity of the banks.

3. In the granting of credits to the economy, it shall be necessary to apply as consistently as possible the principle of providing credits primarily to those organizations which operate successfully, while credits from bank sources should be restricted or completely denied to those organizations which do not achieve favourable results, or which have uncovered losses, and to similar organizations.

In 1964, too, credits from bank sources to socio-political communities should be used only to cover those expenditures which cannot be covered by current incomes because of the uneven inflow of those incomes, on the understanding that such credits must be repaid by the end of the fiscal year.

Consumer credits will be granted in 1964 under basically the same conditions as in 1963, and in harmony with the actual trends of production and consumption.

4. The National Bank shall in 1964 too grant credits to all other banks directly and under equal conditions.

Chapter XIV

PUBLIC RESERVES

1. For the purpose of realizing the aims and tasks of the economic policy fixed by this Social Plan, it shall be necessary in 1964, besides all other measures, to set aside economic reserves for the purpose of ensuring the most stable possible development of the economy. To achieve this aim, and for the purpose of creating conditions for the removal of the negative effects of those factors which might cause unsteadiness in the development of the economy, it is recommended that in 1964 appropriate reserves should be created in socio-political communities and work organizations.

2. In 1964, the necessary state material reserves shall be secured from the surplus federal revenues earned in 1963, and from part of the regular revenues earned in 1964, and it is also anticipated that there will be a further growth of foreign exchange reserves, which are a very important condition for the normal development of trade with foreign countries, and the basis on which emergency interventions in the internal market by means of necessary imports can be made.

From the funds which belong to the federal authority there shall be formed, under the provisions of this Plan, special economic reserves amounting to 40 billion dinars, while all the possible plus balances after the fixed expenditures and the federal authority's commitments have been met, shall also be used for the formation of those reserves. This money will above all be used for necessary interventions for the purpose of ensuring stability of trends in the economy, and for the realization of other tasks under this Plan which cannot be achieved by the projected distribution of funds, and may also be used to cover the federal authority's projected expenditures should its revenues not be achieved in the projected amounts. The money from the economic reserves should not, as a rule, be used for new investments, unless those investments represent only a special form of necessary interventions for the realization of the aims and tasks under this Plan.

3. The relations in production and distribution established by this Plan assume that the Republics, the srez, and the opstina, as well as work organizations will, under their plans and budgets, besides regular allocations of resources to specific reserve funds in accordance with existing regulations, also provide supplemetary reserves, by which they will contribute to a fuller, general stabilization of our economy, and to the realization of the aims and tasks under this Plan, and under the plans which they themselves will introduce.

Part Five

Chapter XV

SCIENTIFIC-RESEARCH WORK

1. The further development of our economy should embrace not only an extension of the material base of production and the introduction of modern productive means of work but also, and to an even greater extent, a further improvement in the organization of production; the continuous raising of the level, and development, of the methods of work and knowledge in production; the mastering of new technological processes and new products; and, generally, the development of our own technology. For this reason, it shall be necessary to continue efforts for the development of an effective and comprehensive research mechanism, in which appropriate relations (*proporcije*) will be established between development laboratories and industrial institutes, on the one hand, and independent research organizations and university scientific institutions, on the other hand, because this will be the essential and basic precondition for the achievement of this aim.

The further development of socio-economic relations, and social development generally, demand that equal attention be also devoted to the other fields of science, and to the development of respective scientific institutions.

2. In view of the fact that the development of conditions for the education and continued training of research personnel in all the fields of scientific activity is the basic task in the work for a systematic development of scientific research, it shall be necessary in 1964, too, to undertake effective measures for the purpose of constructing an effective system,of third-grade university studies. For this purpose, it shall be necessary to ensure a faster development of, and a better material equipment for, university scientific institutions, but it shall also be necessary to make a fuller use of the material and personnel possibilities which exist also in

scientific institutions outside the universities, paying attention to the need to secure cooperation between all those factors which can contribute to the formation, and to the raising of the level, of scientific-research personnel.

3. The process of extending the institutional basis for scientific-research work, which was initiated in recent years by the opening of development laboratories and industrial institutes in our economy, should be further boosted and aided on an even wider scale, because this process is of the greatest importance both for the growth of the volume and quality of production, and the technological emancipation of our economy, and for a correct orientation of programs, and for raising the level of scientific development, in research institutions outside the economy.

In independent scientific institutions, it shall be necessary to strengthen their orientation towards the problems of practical research work, which is of importance for the prospective social and economic development of the country, without neglecting, thereby the development of fundamental research work, which is of great importance not only for general scientific development but also for the development of scientific methods, and for the education of scientific personnel.

4. One of the major, but still not completely solved, problems in the field of the organization and development of scientific-research work, is the problem of the establishment of and adequate and effective system of financing those activities. Since scientific research is not only an important factor of general social development, but also the most essential element of the development of production technology, it shall be necessary to establish such a mechanism of financing as would connect more directly the amount of financial resources earmarked for scientific research with the results achieved in the development of the economy. This mechanism must be based on the respect for the principle that the financing of research work in the economy, as well as research work in other institutions to meet the needs of the economy, must primarily be effected from the funds of economic organizations. The scientific institutes should be further encouraged by the system of financing and by other measures, towards even closer cooperation with economic organizations. By developing the system of credits with appropriate facilities, and by further improvements in the other

instruments of our economic system, it shall ne necessary to ensure the most favourable conditions for the participation of economic organizations in the development of scientific research in their own research units or in other scientific institutions.

In 1964, the public funds for scientific work shall also have the task of extending effective assistance to an accelerated development of certain important, but still undeveloped, fields of research work. It shall be necessary to establish a more lasting programmatic orientation of the public funds for scientific work towards financing long-term practical research projects, as well as towards extending aid for the opening of new fields of research in harmony with the general development of science.

For the purpose of achieving those aims, it shall be necessary in 1964 to increase the amount of money in the public funds, as well as the financial resources of work organizations, and of their integrated groups, intended for scientific-research work.

Chapter XVI

EDUCATION

1. Improvement in the professional skill of personnel is the essential precondition for rapid economic development, for a more rapid increase in the productivity of labour, for a fuller utilization of existing capacities, as well as for more extensive scientific-research work and the application of its results in practice. Therefore it shall be necessary in 1964 to continue advancing the entire field of education, and to attain an even higher degree of the integration of education and economic and social development. For that purpose, it shall be necessary in 1964 to develop further all the degrees and forms of education, to broaden their material and personnel basis, and to improve the quality of education generally.

2. Elementary education in the hitherto development has experienced the greatest upswing, but in certain parts of the country it is still underdeveloped. In view of the importance of elementary education, as well as its significance for a harmonious development of education at higher levels, it shall be necessary for the communes to increase their efforts for the broadening of the material base of elementary schools, both for their basic activity, and for the extension of school space and the creation of conditions for the earliest possible elimination of third "shifts" in schools, and in those schools where necessary conditions exist for a gradual introduction of instructions going on through the day.

In 1964, it shall be necessary to pay greater attention to the further development and improvement of the material base also of pre-school institutions, where, on the basis of common interests, full cooperation should be established between work organizations and the communes.

3. In view of the fact that the percentage of illiterate persons in certain regions of the country, even among the employed persons, is still high, the communes and

work organizations should in 1964 undertake systematic measures towards a gradual elimination of illiteracy, and towards the removal of all those conditions which are the cases of illiteracy. On this work, full cooperation should be achieved with eight-year schools and other educational institutions.

4. Although the second-grade education has been enriched in recent years by new contents, forms, and methods of work, especially in the case of technical education, it still lags, in its present development, behind the needs of our economy and of other public activities, and is, therefore, one of the weakest points in the present structure of personnel. This is indicated by the present, unfavourable ratio between the personnel with higher education and those with second grade education. Therefore, in 1964 it shall be necessary to give priority to the development of second grade institutions, and for this purpose, it shall be necessary to achieve the broadest possible cooperation between those institutions and work organizations and the communes. This need is the essential precondition for the profiles of education for individual kinds of skilled personnel to be precisely defined, and for work organizations, and their associations and chambers, to join more directly, and on a larger scale, in the financing of the education of those personnel.

5. In view of the more and more important role of science and technology in the development of production, and of society generally, it shall be necessary to devote special attention to institutions of higher learning, which prepare the highest technical and scientific personnel. In 1964, it shall be necessary to improve the material position of those institutions of higher learning. It is particularly important that the quality of education at this level be raised, and that the number of graduates be increased, compared with the number of enrolled students.

6. The system of adult education should be developed further in 1964, and in the succeeding years. Simultaneous work and study should become, both by extent and quality, one of the predominant methods and forms of education in the immediate future. Work organizations and their associations must especially devote attention to this task, but all educational institutions must also do more to achieve this aim.

7. The raising of the quality of education is a task of first-rate importance for all work organizations in the field of education, and it depends, to a large extent, also upon the solving of the problem of teaching personnel. Data show that during the past period the number of instructors has not increased in proportion to the increase in the number of pupils and students. For this reason, in 1964 it shall be necessary to give priority to the development of teacher training schools and colleges, both with respect to their equipment and building, and with respect to the providing of funds for their basic activity.

8. In 1964, the funds for education shall be increased, and, moreover, favourable conditions will exist for work organizations to contribute more to the financing of education, During the year 1964, responsible organs should examine the possibility for work organizations to set aside funds for education and to debit those funds to overhead expenses, according to their needs and possibilities. The responsible organs should also study other possibilities which could contribute to the creation of new sources for the financing of education. Within the context of work on the development of the system of the financing of investments, it shall be necessary to examine possibilities for introducing amortization of the buildings of educational institutions, and for granting long-term credits under favourable conditions for the building of schools, the possibility for utilization of the economic investment funds for the purpose of financing the education of necessary skilled personnel, and so forth.

9. In 1964, it shall be necessary to continue further developing the process of the independence (*osamostaljivanje*) of educational institutions, and for this purpose, to proceed more resolutely with the introduction of the system of self-financing by those institutions on the principle of the acquisition of income depending on the results achieved in their work and in the fulfilment of public needs in this field. To this end, it shall be necessary to fix and study the relationship between the founders and the educational institutions, and criteria for the formation of income of educational institutions, and also to develop the internal distribution of income according to the principle of payment in proportion to the work done.

The organs of self-management in educational institutions should ensure the most rational spending of the funds available for education, both for their basic activity, and for the building and better equipment of school structures. By extra activity, they should secure supplementary funds, which would permit a further extension of the material base of education.

Chapter XVII

MEDICAL CARE AND SOCIAL WELFARE

1. In 1964, it shall be necessary further to improve the position and organization of medical services. Medical services should direct their work as much as possible towards preventive medical activity, and towards a more comprehensive health protection. It shall specially be necessary to develop medical centers, and their material base. It shall be necessary to devote special attention to the suppression of mass diseases, which cause the greatest human and material losses.

Such trends of the development of medical care should be aided also by money from the health insurance funds. Through the conclusion of contracts between the Social Security Institute and medical establishments, new forms of activity should be developed to stimulate those establishments towards carrying out preventive actions and health education. For the same purpose, the _opstina_ should also assist medical establishments in carrying out preventive actions.

2. Economic organizations should devote full attention to measures for hygienic-technical protection at work, and set aside special funds for various preventive measures. Similarly, they ought to invest funds in the development and equipment of health units, either within their own enterprises or outside them, because a better medical care is one of the conditions for greater productivity of labour. At the same time, it shall also be necessary to devote greater attention to the development and promotion of the work of technical institutions for the advancement of safety at work.

3. With respect to the investments in this field, it shall be necessary in 1964 to examine possibilities for medical establishments to make a greater use of credits from the public investment funds, and from the surpluses of the health insurance funds. Similarly, economic organizations and socio-political communities should participate with resources from their own funds and

budgets in investments in medical establishments. New investments should be directed above all towards the building of medical establishments and polyclinics, especially dispensaries; and, with respect to the number of beds, towards improvements in psychiatric institutions, hospitals for tuberculosis, and maternity homes, in view of their present insufficient capacity. Steps should be undertaken to ensure that, parallel with the building of apartments, necessary structures for health protection and social welfare are also built.

During the coming period, it shall be necessary to stimulate more the schooling of medical personnel with higher and secondary qualifications, because there is a shortage in such personnel.

4. The rapid economic development and the change in the social composition of the population, the increased number of employed women, the shortage of housing space, as well as conditions for the education of children, and other factors, stress the need for social security to be developed more vigorously in 1964, and to be better prepared for a more rapid settlement of social problems imposed by economic development.

The rapid economic and general development creates even greater needs for the development of various kinds of social welfare institutions (institutions for day accommodation of children; institutions for accommodation and care for children and youth who have no parents, or who go to schools outside the places where their parents live; institutions for educationally neglected children and youth; institutions for accommodation of children who are serious invalids; institutions for rehabilitation of children and youth; institutions for accommodation and care for adults; and other social welfare institutions), so that it is expected that the Republics and opstina will, according to their needs and possibilities, provide in their 1964 plans appropriate funds to meet such needs. Work organizations also should be more active in the settlement of individual social welfare problems.

Chapter XVIII

CULTURE AND PHYSICAL CULTURE

1. In 1964, it shall be necessary to create conditions for a more successful development of work organizations in the field of culture. In this field, it shall be necessary to devote special attention to the development of newspaper publishing activity, to the production of films, and to an increase in the number of cinemas. To this end, it shall be necessary to study during the year the economic situation in those branches of activity, and conditions for the acquisition of incomes in these branches, and to improve those conditions. Work organizations in these activities should develop more their mutual cooperation, and create conditions for a better utilization of internal reserves, so as to achieve better results in their business operations. It shall also be necessary to undertake appropriate measures to improve the working conditions, and to ensure a more rapid development, of other institutions in the field of culture and art, such as cultural centers, libraries, theaters, museums, and so forth. In these institutions too it shall be necessary to improve the system of financing, and criteria for the formation of incomes. At the same time, work organizations should improve the system of incomes distribution in accordance with existing social principles.

2. The plans of the _opstina_ and republics shall set the material framework for the development of cultural institutions, whereby it shall be necessary to pay attention to the need to improve the material situation in these institutions in keeping with the increased needs, especially in the field of building, because this will be a pre-condition for the development of massive cultural activity in an _opstina_. In this field, too, it shall be necessary during the year to examine the possibility for the introduction of amortization in the system of the financing of investments.

3. In the coming year, the network of small-power medium-wave radio transmitters will be extended, and the installation of a larger number of ultra-short wave transmitters will be continued. Also, the second stage of the development of a television network will be completed by putting into operation a number of telecasters along the Dalmatian coast. It is expected that towards the end of 1964 the third stage of the development of a television network, which has to ensure a further widening of the network of telecasters, will be begun.

4. In 1964, it shall be necessary to expand physical culture instruction in schools, so that school children may be more fully embraced by physical culture. It shall also be necessary to create conditions for the development of physical culture in local and housing communities. In order to secure conditions for such a development of physical culture, investments should, above all, be orientated towards the construction of diverse, cheap structures in schools, and in local and housing communities. Funds necessary for the achievement of an appropriate development of physical culture according to the needs arising from the present development, shall be provided under the plans of the opstina.

Part Six

Chapter XIX

SOCIAL CONDITIONS FOR THE REALIZATION OF THE AIMS AND TASKS UNDER THE PLAN

1. The realization of the aims and tasks of economic and general development under this Plan relies upon institutions and relations established under our unified economic system, and upon their further development. The projected development in the field of material production, and the new experiences, will permit the positive effects of the already achieved development of these relations, especially of the development achieved in 1963, to be more fully reflected on the trends in the economy, and on the whole of social life, in 1964. The further development of these relations, which will come about during the year 1964, will also have a positive effect on those trends. In this respect, the implementation of the principles and provisions of the new Constitution, as well as the coordination of the laws and other regulations now in force in the field of our economic system with the provisions of the Constitution --which coordination is now in progress and which will be continued also next year--will be of special significance.

The Federal Executive Council and the federal organs of the administration, together with the respective organs of the Republics, organs of the Yugoslav Federation of Trade Unions and of the Federal Chamber of the Economy, and other social factors, have already been working during the year 1963 on the creation of conditions for the further development of relations in the field of our economic system. The study of objective conditions for specific, new solutions in the further development of socio-economic relations, and the search for the most suitable trends and forms through which to achieve those solutions, shall be continued in 1964, too, and those new solutions which will contribute to a further improvement and development of socio-economic relations, and create a better basis for the realization of the aims and tasks under this Plan, shall also be applied during the course of the coming year.

The activity of work communities, and of the organs of management in work organizations, is also proceeding along those lines, especially in the field of the further development of internal relations in work organizations, and corresponding activities are also being developed by the other self-managed organizations and organs in the opstina and other socio-political communities. This activity should be given every necessary support by appropriate measures and actions, while by coordination of all this activity it shall be necessary to ensure that the new solutions are a reflection of the real interests of all the workingpeople, and an expression of the common will and united attitudes of all social foactors.

The strengthening of the role of the working people active in the whole of the social process of reproduction (drustveni proces reprodukcije), and the coordination of their activity in harmony with the generally adopted aims and tasks of economic development, should continue to be the general characteristic of the development of relations under our economic system, and of all the changes which will take place in this field.

2. For a more decisive place and role of the workingpeople, and of their work organizations, in the social process of reproduction, of particular importance will be the further, continued strengthening of the material base of their self-management, which was achieved also in 1963. The greater independence and the fuller right of work organizations to dispose of the public means of reproduction, and of the value of the products which they sell, have been given new constitutional guarantees in 1963, while under amendments to relevant regulations and through appropriate measures, as well as on the basis of the further growth of the total social production, the funds of which work organizations dispose have been increased.

In this connection, in 1964, there will be a considerable increase in the amounts of the business and other funds of work organizations, which in 1963 were of a smaller amount, due, among other reasons, to the transition to the system of calculation according to effective collection of proceeds (obracunavanje po efektnoj naplati). The effects of the introduction of the new system of calculation in this sense will no longer be felt. Moreover, in 1963, in the majority of work organizations, a revaluation of fixed assets (machinery and equipment) was carried out, which, together with changes in the system of depreciation of the value of fixed assets, will contribute towards a further increase in the funds of work organizations intended for reproduction in 1964. Regulations which will ensure that the revaluation of fixed assets is carried out also in those activities where it has been provisionally put off, shall be introduced by the end of the year 1963. At the same time, regulations shall be introduced which shall change the bases and rates of amortization for individual kinds of means of production; extend the application of the system of amortization according to the intensity of the utilization of those means; and shorten the time-limit for, and speed up, the amortization of specific means of production. Besides this, this Plan does not reckon upon the setting aside of obligatory reserves from the amortization funds in 1964.

The abolition of the extra-profit tax and of the tax on the exploitation of mineral wealth (rudnicki doprinos), as well as changes in the position of certain activities in connection with the changed conditions for trade in their products, or in connection with changes in the obligations which those organizations have had towards the community and other obligations, will also contribute to an increase in the funds of which work organizations directly dispose.

In 1963, certain changes were carried out with regard to prices, or obligations towards the community, for economic organizations in agriculture and the food industry, ferrous metallurgy, the timber and wood industry, the cellulose and paper industry, and some other branches, and corresponding changes will also be introduced for work organizations in the cement industry, the tobacco industry, the oil industry, forestry, and other branches by the end of this year.

All those changes which have been carried out in 1963, or which will be carried out by the end of this year, will create for the work organizations of the respective branches a basis for more effective work, and for the achievement of more favourable business results, as well as for the further development and advancement of their production in 1964 and in the succeeding years.

3. Parallel with changes in the system of the formation of funds of work organizations, in 1963 further improvements have also been made in the credit system, in the system of foreign exchange and foreign trade operations, and in other relations. Through changes in the field of the credit system, a further decentralization of the functions and funds of socio-political communities has been carried out; unimpeded production and sale of the products which are in real demand has been ensured; and a more normal formation of stocks of goods has been made possible. This Plan also reckons upon further important changes in the credit system, especially through the transfer of the major portion of the federal funds intended for investments in the economy to the credit funds of specialized banks, and through the investment of those funds on the basis of a more consistent application of economic and commercial banking criteria. The important interventions by the banks on a commercial basis in the field of foreign trade, as well as in the field of investment in the production which will contribute to an advancement of exports, have created conditions for better effects to be achieved in those fields, too, and for good business operations and economic critaria to be given greater expression in these relations as well.

Under the new conditions, created by these and other changes in our economic system, and with an active endeavour on the part of all social factors to contribute to the development and advancement of the total social product and to the establishment of relations which will be a basis for such trends to become permanent, work organizations have also been able to develop full initiative, and, by further developing their internal relations and by promoting direct cooperation among themselves, not only to achieve positive production results, but also to create better conditions for the permanent achievement of such results.

In this respect, the new attitudes about internal relations in work organizations, which found special expression in the Instructions issued by the Federal Executive Council on the distribution of the net incomes of work organization, and on the application of those Instructions, have been of special importance.

Progress has also been achieved in developing production cooperation between work organizations, as well as in linking directly work organizations with commercial banks, which has contributed to a more successful utilization of the available funds, and to a fuller harmonization of their investment policies with the need for a well-balanced development of the total social production, and for the settlment of the basic tasks which our economy as a whole had to execute during 1963.

4. Although by all these changes, and by the other changes made in our economic system in 1963, an important step has been taken in the direction of its further development, many relations will in 1964, too, demand further changes abd their fuller coordination with the foundations of our socio-political system and with the new material possibilities, as well as with the aims and tasks of this Plan. An important contribution to the solving of outstanding questions and to the development of socio-economic relations generally, will also be made through the introduction of a law on economic planning; a law on the Fund for the financing of a more rapid development of the economically underdeveloped republics and regions of the country; a law on the electric power industry, and other laws which are being prepared; but, nevertheless, further progress will have to be made in 1964 on the plane of the development of socio-economic relations.

In 1964, the Plan of Economic Development for the period 1964-1970, which will open up new prospects for the further development of socio-economic relations, will also be introduced. The development of socio-economic relations will represent an essential integral part of that Plan, and the basis for the achievement of the aims and tasks which will be fixed by it. In this connection, it shall be necessary to coordinate the development of socio-economic relations, and of their forms which are presupposed for the realization of this Plan, also with those general aims and tasks which the Social Plan of Economic Development for the period 1964-1970 will fix, or foresee, in the field of socio-economic relations.

5. The important increases in production and in foreign trade, as well as the increase in all the forms of consumption, and the other effects which this Plan envisages to achieve in the coming year, presuppose as an essential precondition for their realization--a further, substantial increase in the productivity of labour. In this connection, it shall also be necessary for all those regulations, measures and actions in the field of the further development of socio-economic relations which

will be introduced or undertaken by various social factors this and next year, to be directed towards the achievement of a greater productivity of labour, and towards the activation of the factors upon which it depends. Under those regulations, measures and actions, decisive priority must be given to those work organizations and working people who achieve greater effects in their work, and thus further arouse the interest and initiative of all work organizations and the working-people for the achievement of such effects.

In this respect, of special importance is the further development and perfecting of internal relations in work organizations, and a consistent application and a further elaboration of the principle of internal incomes distribution in work organizations in accordance with the concrete conditions of work, and with the effects which are achieved, in each activity and in each organization concerned. With an appropriate activity on the part of work communities, the other social factors should also contribute to a further development of those relations upon the principles laid down by the Constitution and by the acts introduced, on this basis, by the Federal Assembly, the Federal Executive Council, and the highest organs of the Yugoslav Federation of Trade Unions and of the Federal Chamber of the Economy. By further improving and developing relations in the distribution of the net incomes of work organizations, and of their internal relations generally, it shall be necessary to encourage maximum interest of the workers for the achievement of the highest possible productivity of labour, and for the creation of conditions for the strengthening of all those factors on which such productivity of labour depends. To this end, it shall be necessary, by developing appropriate relations and their forms, to ensure that the personal incomes of the workers be formed in proportion to their output in their jobs, in their work unit, and in their work organization as a whole.

A contribution towards the development of those relations along these lines, should also be rendered by those regulations and measures of socio-political communities, and of respective social organs, through which influence is exercised on the working conditions, and on the earning of income, in various activities and organizations. Those regulations and measures ought to create such conditions as will directly ensure the achievement of the above-stated principles, and be a fresh encouragement for a more consistent application of those principles in the internal relations of work organizations, which the work organizations themselves will fix.

6. It shall also be necessary to develop further those relations which contribute to the establishment of appropriate criteria in production policies, and in the rendering of decisions on the utilization of the funds which are intended for production, and on the advancement and development of production.

A quicker, fuller and more direct adjustment of production to the demands of the market and to the needs for developing an economically effective foreign trade system , must be fostered both by the creation of appropriate general conditions, in which the adaptation of production to those demands and requirements will, to a greater extent, influence the results of the business operations of work organizations, and also their economic position, and by the development of such internal relations in work organizations as will arouse more directly the interest of all the workingpeople in those organizations for such adjustments and corresponding results.

Besides proper relations in the distribution of personal incomes among individual workers, which should also contribute to a corresct production and investment orientation , an appropriate admeasurement of accumulation within the framework of the incomes distribution in work organizations and an appropriate disposition of the accumulation which has been set aside, and of the other funds of work organizations, is equally important. By appropriate internal relations in work organizations, it shall be necessary to arouse the greatest possible interest of the workers for the formation of necessary funds, and for their most advartageous and most effective utilization. The development and perfecting of such relations should contribute to a more rapid and more harmonious development of the total social product; promote foreign trade; and help to achieve the most favourable results in production and in the further development of its material base .

7. The further expansion of direct cooperation in production between those work organizations which, by the nature and line of their business, are directed towards one another, can also give an especially important contribution to a more rapid and more harmonious

development of all the fields of production, as well as to a more rapid increase in the productivity of labour. This cooperation should, therefore, be further fostered by an appropriate credit policy, and by other measures and activities on the part of all social factors. This activity should be directed towards the creation of more favourable general conditions for the further expansion of this cooperation, and towards encouraging the [illegible] creation of appropriate relations between specific organizations whose cooperation can yield direct results in production and trade, or in the creation of the material base, and of other conditions, for the further development of both production and trade in the internal and foreign markets.

In this activity, it shall be necessary to remove those shortcomings which result from the confinement of cooperation in production and in other fields within narrow local limits, and to give priority to those forms of cooperation which will contribute to the advancement of over-all social production, and to the direct integration of production in related work organizations into a single, unified Yugoslav economy. The responsible organs should especially examine to what extent the existing regulations and relations do not meet the need for broader economic integration, and to propose measures for the removal of possible obstacles which stand in the way of the development of broader business cooperation, and of integrational processes in our economy.

Those work organizations which possess conditions necessary for this purpose should also develop production cooperation on an international scale wherever such cooperation contributes to the advancement of their production, or to a more rapid and better balanced development of the Yugoslav economy as a whole. This cooperation should be given the necessary aid and support also by other social factors.

8. With the strengthening of the role of work organizations in the social process of reproduction, and with the further decentralization of public funds intended for the expansion of production (prosirena reprodukcija), which also characterizes the basic relationships upon which this Plan reckons, the question of coordination of investment activities by work organizations, and of the social orientation of this acitivity towards the realization of the aims and tasks of development fixed under the social plans, is becoming more and more important for a harmonious development of the total social product. In

this connection, the credit policy and the means by which this policy will be carried out, assume special importance for the realization of the aims and tasks under this Plan, and for the coordination of corresponding activities by work organizations, as well as for the orientation of those activities towards the realization of the social plans generally.

The already initiated process of a greater activation of banks for the purpose of mobilizing the unengaged funds (slobodna sredstva) of the economy, and directing the utilization of those funds towards the realization of the general objectives, aims, and tasks of the social plans, should be continued and further extended in the coming year. In this connection, the methods used for such mobilization and directing policies should assume more and more the character of economic measures, and rely upon economic criteria and the direct interests of those work organizations which establish appropriate credit relations with banks. It shall be necessary to ensure, on the basis of those relations, that even those funds of work organizations which are directly engaged in the development and advancement of the activities of work organizations are used in accordance with the general objectives, aims, and tasks of development fixed by the social plans.

In accordance with the above-mentioned objectives for the development of relations in the field of financing social reproduction, the Federal Executive Council and its organs should, as soon as possible, together with other interested social factors, examine the whole system of the financing of investments, and especially the system of credits, the sources of credit funds, conditions for investing those funds, the place and role of various banks under the credit system, methods for directing their credit activities, and other questions connected with credits; and propose necessary changes in the existing regulations or measures for the purpose of removing obstacles to a free development of these relations, in harmony with the further development of relations under the system of social reproduction as a whole. In this connection, it shall be necessary to seek out solutions which would contribute to the strengthening of the functions of the banks, and of their business independence, to their greater responsibility for investments (plasmani), as well as to the creation of conditions for increasing the mobility of funds, and for their utilization with the best possible economic effects.

The federal secretariats in charges of various branches of our economy, in conjunction with the Federal Chamber of the Economy and specialized banks, shall, in an appropriate manner, explain to the investors the reasons why in certain specific fields no new capital projects should be undertaken in 1964. Those organs of social management which are authorized to render decisions on investment should study those explanations with due attention and responsibility.

9. Besides the development of relations under our economic system as a whole, the development of relations in the field of the foreign exchange and foreign trade systems, which will further foster and promote trade and other economic relations with foreign countries, should also give an important contribution to the realization of the aims and tasks under this Plan, as well as to the creation of conditions for further economic development, and for the achievement of better results in social production generally.

The system of the distribution of foreign exchange resources should be further perfected for the purpose of strengthening the mutual business relations of the pillars of our economic acitivy, strengthening the role of commercial banks under this system of distribution, and reducing administrative interventions.

The foreign exchange resources necessary for increased imports should be provided to the most profitable and most productive industrial organizations, giving priority to those organizations which produce goods for export, and the banks will work out uniform standard criteria for this.

In particular, it shall be necessary to give facilities to exporting enterprises for the purpose of promoting rational exports, both with respect to the supply of imported goods needed for increased production, and with respect to the utilization of the foreign currencies which authorized banks sell to enterprises in proportion to the foreign exchange resources which those enterprises earn.

For this purpose, it shall also be necessary to ensure priority for the production of goods for export by the establishment of appropriate relationships in the field of investment and credit policies, or relationships by which influence is exercised on trading conditions as well as by measures in the field of providing producting enterprises with foreign currency, and so forth. The same treatment should also be accorded to those servicing activities, such as transport, the hotel industry, and tourism, which can contribute to the promotion of economic relations with foreign countries, especially by more favourable foreign trade balances with individual areas and countries. Within the framework of those measures, it is of special importance that appropriate solutions should be sought out for an improvement in the economic position of those economic activities which possess all the conditions necessary for increasing profitable production and foreign exchange earnings.

By further developing these relations and by the introduction of necessary measures, it shall be necessary to foster, above all, the production which yields the most favourable results in foreign trade. For this purpose, it shall be necessary to give priority to profitable production or to production which posesses conditions for becoming profitable, and becoming an important factor in trade with other countries. Under the system of granting export premiums, it shall be necessary to apply more firmly selective policies, under which full support in export would be given to profitable and, for international trade, important production, and under which the production of goods whose export is not economically sufficiently justified would gradually be eliminated from the export trade.

The regulation of exchanges of goods should be effected according to objective economic criteria of profitability and effectiveness, while, at the same time, restricting administrative measures to the smallest possible limit. In this connection, it shall be necessary to make work collectives more directly interested in the realization of exports from the point of view of the most favourable economic results. It shall be necessary to continue exploring further possibilities for tying imports to the results achieved in exports.

For the development of trade and other economic relations with foreign countries, it shall be necessary to enlist more commercial banks, and to increase, by appropriate measures, their interest in contributing to the achievement of economically justified relations in this field.

It shall be necessary to proceed more firmly with the study of possibilities and criteria for the inclusion of all commercial banks in foreign exchange operations. For this purpose, specialized banks, and other commercial banks which are authorized to perform foreign exchange transactions, should therefore be enabled to earn the foreign exchange with which they operate in proportion to the results which they achieve in developing and promoting foreign trade.

By these and other appropriate measures in this field, it shall also be necessary to ensure an effective regional development of foreign trade.

10. The development of social-economic relations along the above stated lines also presupposes the most consistent equalization of working conditions and conditions for earning incomes in various economic activities and organizations.

The methods which have so far been applied for this equalization, and the effects of their application, have often been unsatisfactory, resulting in very unequal obligations of the organizations of different activities towards the community, which only too often hamper the application of uniform criteria and economically justified forms of incomes distribution. Those methods have required, and still require, many important administrative interventions in connection with the redistribution of the realized incomes, and therefore lead to a considerable concentration of funds, which would otherwise not have been necessary, and to other undesirable situations. Therefore, this imposes the need, in the further application of the principle of equal working conditions and equal conditions for earning incomes, to avoid methods which have such or similar consequences, and to practice more direct interventions in the field of trading conditions and conditions for the realization of the value of the products and services of individual activities, or interventions in connection with conditions under which credits are granted for the expansion of various activities and organizations, and similar forms of intervention.

For the purpose of creating the most favourable conditions for successful business operations, and for the purpose of establishing more correct relations between individual fields and branches, and especially for the purpose of gradually reducing the scope of intervention in the form of various kinds of subsidies and facilities, and other non-economic measures and forms of administrative intervention in the economy, the Federal Executive Council and its organs shall proceed with studying and seeking out a solution to the problem of the internal price situation, and of the ratio between domestic and foreign prices. Since this is based also on the effect of individual forms of incomes distribution, it shall be necessary for the Federal Executive Council and its organs to study the place and role of individual forms of incomes distribution in the structure of prices, especially in the turnover tax, customs duties, premiums, subsidies, and so forth.

Although a comprehensive solution to the above-stated problems would partly require long-term studies and the creation of material conditions for individual specific solutions, it shall be necessary already in 1964 to improve the conditions of business operations and the economic position of those activities which are in a particularly unfavourable situation, and which prove to be an impediment to a more harmonious development of the total social product, such as individual activities in the field of the production of raw materials and semi-finished goods, or in the field of transport and other services.

With the same aim in view, the responsible organs of the Federal Executive Council should also examine the conditions for granting credits, and the effect of obligations resulting from credit relations on the position of economic organizations in those activities whose general economic situation is relatively unfavourable, such as agricultural organizations, organizations in the field of the tourist hotel industry, and so forth. In this connection, those organs should examine the possibility and need for changing existing credit obligations, or the possibility for undertaking other measures under which the possible negative effects of existing credit relations on the position of those organizations would be removed.

In connection with the tax policy in agriculture, it shall be necessary to examine the possibility for directing a portion of the increased incomes of agricultural producers towards the development of agricultural production, and of the services for its advancement. It shall also be necessary to examine the question of introducing obligatory insurance in agriculture, as well as the question of introducing a water contribution (vodni doprinos) for all the users of water.

The Federal Executive Council shall examine criteria and methods for the equalization of working conditions, and of conditions for earning incomes, between individual economic activities and organizations. Within the context of the measures which can contribute to the equalization of those conditions, it shall be necessary to seek in particular, within the context of the entire mechanism of the economic system, solutions to the problems of those extra incomes which are not in conformity with the achieved production and productivity of labour.

The equalization of working conditions and of conditions for earning incomes by changing the trading conditions, if such change proves to be necessary, ought not to lead to disruptions in the market, or to changes in the basic relationships of social reproduction upon which this Plan reckons. Such changes should be carried out, or made possible, only if objective conditions exist for their implementation without any negative consequences, and only after the various effects of the respective changes are thoroughly examined.

11. In 1964, the Federal Executive Council and the responsible federal secretariats should study the reasons for the disparity between the federal revenues and expenditures, and shall propose solutions for the removal of deficits in the federal funds in the coming year.

Chapter XX

The purposes, aims and tasks of economic development in 1964, fixed by this Plan, shall be achieved in accordance with our unified socio-economic system proclaimed under the Constitution and under federal laws, and in accordance with direct measures and regulations which shall be undertaken by the federal organs within the limits of their powers, and with the plans which socio-political communities and work organizations shall independently introduce.

Socio-political communities and work organizations should also, through measures and regulations which they will be introducing for the purpose of realizing the relationships fixed by their plans, ensure the realization of the objectives, aims,and tasks under this Plan.

The Law on Economic Planning Measures in 1964, which the Federal Assembly shall introduce simultaneously with this Plan, intriduces special measures for the achievement of specific relationships which are of vital importance for ~~the~~ harmonious development, and for the stability, of the whole of our economy in 1964.

LAW ON ECONOMIC PLANNING MEASURES IN 1964

On the basis of Article 217, Paragraph 1, Item 1, of the Constitution of the Socialist Federal Republic of Yugoslavia, I issue the following

DECREE

PROCLAIMING THE LAW ON ECONOMIC PLANNING MEASURES IN 1964

The Law on Economic Planning Measures in 1964, which was adopted by the Federal Assembly at the meeting of the Federal Chamber of December 20, 1963, and at the meeting of the Economic Chamber of December 20, 1963, is hereby proclaimed.

P.R. No. 18
Belgrade, December 24, 1963

President of the Republic,
Josip Broz Tito

President of the
Federal Assembly,

Edvard Kardelj

LAW
ON
ECONOMIC PLANNING MEASURES IN 1964

Article 1

This Law prescribes the economic planning measures which will ensure the realization of specific relations, aims, tasks, and objectives fixed by the Social Plan of Yugoslavia for the year 1964.

I. BASIC DISPOSITION OF FEDERAL FUNDS

Article 2

The revenues which in 1964 the federal authority acquires from the sources fixed by this Law, and the revenues fixed by other federal regulations as federal revenues, shall be divided into the funds of the Federal Budget for 1964, the funds with which the federal authority participates in the financing of investments in the economy, and the federal economic reserve funds.

1. The Federal Budget For 1964

Article 3

Of the revenues which on the basis of federal regulations go to the federal authority, the following shall be put under the Federal Budget for 1964:

(1) the part of the turnover tax which goes to the federal authority;

(2) the general turnover tax;

(3) revenues from customsduties;

(4) the part of the joint revenues of socio-political communities which goes to the federal authority;

(5) the part of the turnover tax on wine and brandy which goes to the federal authority;

(6) the revenues of the federal organs and institutions, with the exception of those revenues which they realize through a special account;

(7) part of contributions from the incomes (income tax) of economic organizations up to 32,000 million dinars; and

(8) other budget revenues foreseen by the Federal Budget for 1964.

2. Federal Funds for the Financing of Investments

Article 4

The funds with which the federal authority shall participate in the financing of investments are fixed at 432,500 million dinars for the year 1964.

The federal funds refered to in Paragraph 1 of this Article shall be formed from the following:

(1) the funds which, under existing regulations on distribution, form the federal revenues for the financing of investments in the economy, up to the total amount of 265,000 million dinars, and which are made up of the following:

(a) interest on the funds in the economy;

(b) part of the interest which the National Bank earns on the granted credits as a federal revenue;

(c) the contribution from the income of economic organizations minus the portion which, under the provisions of this Law, goes to the Federal Budget for 1964;

(d) the contribution from the extraordinary incomes of economic organizations (extra-profit tax) for 1963 which will be earned in 1964; and

(e) the other revenues which belonged to the abolished General Investment Fund;

(2) funds from foreign loans and other foreign arrangements which the federal authority has concluded for the purpose of financing investments in the economy, and from the commercial credits concluded for the Steel Works in Skoplje, calculated at the settlement rate of exchange, up to a total of 77,500 million dinars; and

(3) funds of the loan which the federal authority shall float in the country for the purpose of financing the investments of importance for general economic development, up to a total amount of 90,000 million dinars.

Article 5

The federal funds for the financing of investments shall be used:

(1) for transfer to the credit funds of specialized banks and of the National Bank for the granting of credits for the investments in fixed assets and in permanent working capital, and for the granting of credits for the export of equipment on credit, and for the construction of capital projects in foreign countries--up to a total amount of 139,525 million dinars, of which amount 50,125 million dinars shall be transferred to the credit fund of the Yugoslav Investment Bank; 47,000 million dinars to the credit fund of the Yugoslav Agricultural Bank; 40,800 million dinars to the credit fund of the Yugoslav Bank for Foreign Trade; and 1,600 million dinars to the credit fund of the National Bank;

(2) for the financing of investments without an obligation to repay the advanced amounts (non-repayable credits)--67,075 million dinars, of which from the regular federal resources--48,275 million dinars, and from the federal authority's loans concluded in foreign countries for specific purposes--18,800 million dinars;

(3) for credits for guaranteed investments--17,500 million dinars;

(4) for a more rapid development of the economically underdeveloped regions of the country--48,000 million dinars;

(5) for repayment of the loan and credits which the federal authority has concluded in foreign countries for the purpose of financing the investments in the economy --11,700 million dinars; and

(6) for credits for the investments in fixed assets (machinery and equipment) through the Yugoslav Investment Bank from the loans concluded in foreign countries--up to an amount of 58,700 million dinars; and from the loans concluded in the country--up to an amount of 90,000 million dinars.

If the amount of the rates of interest on the funds in the economy which under existing regulations specialized banks have to pay on the money in their credit funds is greater, or smaller, than 36,600 million dinars for the Yugoslav Investment Bank, or 5,300 million dinars for the Yugoslav Agricultural Bank, or 4,500 million dinars for the Yugoslav Bank for Foreign Trade, then the funds referred to in Item 1, Paragraph 1, of this Article shall be reduced, or increased, by the respective difference.

Article 6

If, in the course of 1964, the federal authority, on the basis of foreign loans and credits, obtains funds for the financing of the investments in the economy in an amount greater than the amount of the funds foreseen for the financing of investments in the economy in 1964, then the surplus funds obtained may be used in 1964 for investments according to special resolutions of the Federal Assembly.

3. Federal Economic Reserves

Article 7

The federal reserve funds shall be formed from all the federal revenues which are not distributed under the existing regulations, or under this Law, as well as from the funds achieved in excess of the amount fixed for the financing of investments from federal funds, or for the coverage of the Federal Budget expenditures.

If the whole amount of the federal economic reserve funds is not spent during 1963, the unspent amount shall be used to increase the state material reserves in 1964.

The Federal Executive Council shall issue more detailed regulations on the manner of the utilization of the funds referred to in Paragraph 2 of this Article.

Article 8

The federal economic reserve funds shall be used, on the basis of special decisions by the Federal Assembly, for the execution of the tasks under the 1964 Yugoslav Social Plan, and primarily for interventions in the direction of the successful development of the economy, and in the direction of the equalization of the general business conditions under which economic organizations operate in individual economic branches, or groups of economic organizations.

II. UTILIZATION OF FEDERAL FUNDS FOR THE FINANCING OF INVESTMENTS

1. Utilization of Federal Funds Intended for the Financing of Non-Repayable Investments

Article 9

In the year 1964, investments shall be financed, without an obligation to repay the advanced amounts, up to a total sum of 67,075 million dinars, of which:

(1) through the Yugoslav Investment Bank, investments in the field of transport--up to the amount of 50,475 million dinars, of which amount 18,800 million dinars from the funds of foreign loans;

(2) through the Yugoslav Agricultural Bank, the building of the Danube-Tisa-Danube Canal--up to the amount of 10,600 million dinars, and for soil-reclamation projects in the Socialist Republic of Macedonia--up to the amount of 4,000 million dinars; and

(3) As a subsidy to the Autonomous Province of Kosovo and Metohija, investments in the economy--up to the amount of 2,000 million dinars.

The Federal Executive Council, in accordance with the guidelines fixed by the 1964 Yugoslav Social Plan, shall fix specific purposes, conditions, and methods for the financing of investments from the funds referred to in Paragraph 1, Item 1, of this Article.

2. Utilization of Federal Funds Intended for Credits for Guaranteed Investments

Article 10

In 1964, credits shall be granted for guaranteed investments up to the amount of 17,500 million dinars. From these funds, the Yugoslav Investment Bank shall grant credits for investments in fixed assets up to the amount of 13,000 million dinars, and for investments in permanent working capital up to the amount of 1,500 million dinars; and the Yugoslav Agricultural Banks shall grant credits for investments in fixed assets up to the amount of 3,000 million dinars.

The funds which will be used for the guaranteed investments in accordance with the provisions of Paragraph 1 of this Article, and the funds for other uncompleted capital projects on the territories of the Socialist Republics of Macedonia and Montenegro, and of the Autonomous Province of Kosovo and Metohija, for which credit agreements were concluded by the end of the year 1960, as well as the funds for the construction of projects in the other underdeveloped regions of the country which were started on the basis of the provisions of the 1960 Federal Social Plan, shall be used in 1964 for the purpose of settling the obligations undertaken under those investments--under those conditions which applied to the financing of those investments in 1960.

Those capital projects on the guaranteed-investments list whose construction was started by the end of the year 1960 on the basis of preliminary agreements between the Yugoslav Investment Bank and the investors, and for which the final credit agreements were concluded after December 31, 1960, shall also be considered guaranteed-investment projects for whose financing credit agreements were concluded by the end of the year 1960 in accordance with Paragraph 2 of this Article.

From the funds referred to in Paragraph 1 of this Article, in 1964 the Yugoslav Agricultural Bank shall use an amount of 3,000 million dinars for the development and equipment of large agricultural farms, and for soil-reclamation projects on the territory of the Autonomous Province of Kosovo and Metohija.

For the purposes stated in Paragraph 4 of this Article, the Yugoslav Agricultural Bank shall also use an amount of about 1,600 million dinars of the money in the General Investment Fund unused in the year 1963, and given to that Bank for the same purposes.

The Yugoslav Agricultural Bank shall conclude new agreements on the granting of the credits referred to in Paragraph 4 and 5 of this Article, but the amount of the credits under those agreements for the year 1964 and for the succeeding years must not exceed the amount of 8,000 million dinars.

Article 11

Annuities on credits from the General Investment Fund and from other federal funds for investments on the territories of the Socialist Republics of Macedonia and Montenegro, and of the Autonomous Province of Kosovo and Metohija, granted from the beginning of 1953 till the end of 1960, shall be paid into the Public Investment Funds of the two Republics and the Province until final repayment of those credits.

The procedure stated in Paragraph 1 of this Article shall also apply to annuities on credits for participation in the guaranteed investments authorized in 1963 and 1964.

3. Utilization of Federal Funds Intended for a More Rapid Development of the Economically Underdeveloped Regions of the Coutry

Article 12

Pending the introduction of a law governing the federal fund for the granting of credits for a more rapid development of the economically underdeveloped regions of the country, an amount of up to 48,000 million dinars shall be used by the Yugoslav Investment Bank for participation in the granting of credits for a more rapid development of those regions.

The funds referred to in Paragraph 1 of this Article shall be used:

(1) for the granting of credits for investments in fixed assets--up to a total amount of 43,400 million dinars, of which the following sums will be used on the territories of the Socialist Republics: Bosnia-Hercegovina 11,280 million dinars; Montenegro 3,180 million dinars; Croatia 3,410 million dinars; Macedonia 10,260 million dinars; and Serbia 15,270 million dinars, of which for the Autonomous Province of Kosovo and Metohija 8,610 million dinars;

(2) for participation in the financing of structures for living standards (objekti drustvenog standarda) at the Skoplje Steel Works, 1,600 million dinars, and

(3) for the granting of credits for investments in permanent working capital up to the total amount of 3,000 million dinars.

The funds referred to in Paragraph 2, Item 1, of this Article, shall be used for the granting of credits for investments in fixed assets in accordance with the guidelines for the development of the economy in the respective economically underdeveloped regions of the country, primarily for the completion of those capital projects whose construction has been financed from the funds for the development of the economically underdeveloped regions of the country in the years 1961, 1962 and 1963, and for reconstruction and expansion projects, as well as for the granting credits for the construction of new projects in those regions.

The credits referred to in Paragraph 2, Item 1, of this Article, shall be granted by the Yugoslav Investment Bank to the funds of the Republics for the development of the economically underdeveloped regions, or, if these funds are not formed, to the users (nosioci)of those credits whom Republics shall designate.

From the funds referred to in Paragraph 2, Item 1, of this Article, credits shall be granted to the economically underdeveloped regions of the country, that is, to the investors in those regions, in the manner and under the conditions fixed in the 1963 Federal Social Plan for the granting of credits for the development of the underdeveloped regions.

The funds referred to in Paragraph 2, Item 2, of this Article and provided for participation by the federal authority in the financing of the construction of structures for living standards at the Skoplje Steel Works, shall be used by the Yugoslav Investment Bank to settle the obligations undertaken on this basis in the year 1963 and for participation by the federal authority in the financing of this construction in the year 1964.

4. Repayment of Loans Concluded by the Federal Authority in Foreign Countries

Article 13

From the funds referred to in Article 5, Paragraph 1, Item 5, of this Law, the National Bank shall use an amount of 11,700 million dinars to effect repayment of the loans and credits which the federal authority has concluded in foreign countries for the financing of investments in the economy, and for which the Law on the Utilization of Federal Funds for Investments in the Economy does not provide that the repayment be effected by the Yugoslav Investment Bank.

Article 14

The Yugoslav Investment Bank shall use an amount of 19,600 million dinars for repayment of the loans and credits which the federal authority has concluded in foreign countries, and which the Yugoslav Investment Bank has used for the financing of the construction of specific capital projects.

III. UTILIZATION OF FUNDS OF SPECIALIZED BANKS AND OF THE NATIONAL BANK FOR INVESTMENTS IN THE ECONOMY

Article 15

In 1964, the Yugoslav Investment Bank, the Yugoslav Agricultural Bank, the Yugoslav Foreign Trade Bank, and the National Bank, shall use the money lying in their credit funds and those federal funds, which, under the provisions of this Law, are to be transferred to their credit funds, for investments in the form of credits for fixed assests and permanent working capital; credits for the export of equipment on credit; as well as credits for the construction of capital projects in foreign countries, in accordance with the guidelines of the 1964 Yugoslav Social Plan, and in accordance with the provisions of this Law and of other federal regulations.

The specialized banks and the National Bank shall continue granting credits for those investments the financing of which was started in preceding years from the money which belonged to the now abolished General Investment Fund, in accordance with the concluded agreements and the federal regulations on the financing of specific activities or projects.

New agreements on credits for investments under which additional federal funds are to be engaged, may be concluded by the Yugoslav Investment Bank in 1964 only for the purposes fixed by a decision of the Federal Assembly.

As an exception to the provision of Paragraph 3 of this Article, the Yugoslav Investment Bank may conclude new credit agreements on the basis of the Decision on the guidelines for the utilization of the money from the General Investment Fund for the financing of specific investments (Official Gazette of the SFRY, No. 19/63).

The Yugoslav Agricultural Bank and the Yugoslav Foreign Trade Bank may conclude new agreements on the granting of credits for investments in 1964, according to the guidelines fixed by the 1964 Yugoslav Social Plan, within the limits of the amounts lying in their own credit funds. Under those agreements, and under the already concluded agreements, commitments may be created for the coming years for amounts which will not exceed the amount of the credits used in 1964. If it becomes necessary in 1964 to undertake bigger commitments for the coming years, such commitments may be undertaken only on the basis of special decisions by the Federal Assembly.

Article 16

The Yugoslav Investment Bank shall grant credits for participation in the financing of investments:

		in millions of dinars
(1)	in fixed assets, in the amount of.... of which:	224,925
(a)	in the field of industry and mining.................	161,000
(b)	in the field of transport	13,925
(c)	for the advancement of foreign tourism.............	21,000
(d)	for granting additional funds to investors in the economically underdeveloped regions.................	12,200
(e)	for the settlement of obligations arising from credits from the General Investment Fund from preceding years...........	7,500
(f)	for settlement of overdrafts in capital development expenditures in guaranteed investments....	3,200
(g)	for continuation of the development of a television network..............	900
(h)	for participation in the financing of the development of Novi Beograd......	1,000

(1) for payment of bills of exchange in connection with foreign credits for the completed projects financed from the General Investment Fund till the end of 1962	4,200
(2) in permanent working capital	9,500

Article 17

The amount of 161,000 million dinars for participation in the granting of credits for fixed assets in the field of industry and mining, shall be used by the Yugoslav Investment Bank for the granting of credits for the construction of electric power projects, for the development and expansion of coal mines, for the construction of projects in the oil industry, for mining exploration in oil production on the territory of the Autonomous Province of the Vojvodina, as well as for the building of projects of ferrous and non-ferrous metallurgy, and projects in the basic chemical industry and the cellulose, wood pulp, and paper industry.

Article 18

The amount of 13,925 million dinars for the granting of credits for investments in the field of transport shall be used by the Yugoslav Investment Bank for credits for the purchase of sea and river vessels, for the purchase of postal, telegraph and telephone services facilities, and for participation in the financing of the development of ports and communication arteries in the underdeveloped regions of the country.

The Federal Executive Council shall fix specific purposes, conditions, and manner of granting credits for the investments referred to in Paragraph 1 of this Article, for which agreements have not yet been concluded with the Bank, in accordance with the guidelines fixed by the 1964 Yugoslav Social Plan.

Article 19

The amount of 21,000 million dinars shall be used by the Yugoslav Investment Bank for participation in credits for investments for the advancement of foreign tourism, on the understanding that the Bank shall refund from these funds the amount of the credits which it granted for this purpose in 1963 from the funds which were at the Bank's disposal in that year.

The Federal Executive Council shall fix conditions and the procedure for granting credits for the investments referred to in Paragraph 1 of this Article, in accordance with the guidelines fixed by the 1964 Yugoslav Social Okan.

Article 20

The amount of 12,200 million dinars, foreseen as supplementary funds for the investors in the economically underdeveloped regions of the country, shall be used by the Yugoslav Investment Bank for the granting of credits to the investors for increased participation in the investments which the General Investment Fund continued to finance in 1963, as well as for participation in the financing of the construction of projects whose financing from the General Investment Fund was discontinued in 1963.

From the funds referred to in Paragraph 1 of this Article, the Yugoslav Investment Bank shall give to investors credits for increased participation, and for participation in the financing of the construction of regular capital projects on the territories of the Socialist Republics of Macedonia and Montenegro, and of the Autonomous Province of Kosovo and Metohija, and of projects in the other economically underdeveloped regions of the country, which have been undertaken under the provisions of the 1960 Federal Social Plan.

Article 21

The amount of 7,500 million dinars shall be used by the Yugoslav Investment Bank for the settlement of its obligations from preceding years, which relate to:

(1) the work done and purchases made [illegible], till the end of the year 1962 in connection with the investments whose financing from the General Investment Fund was discontinued in 1963, on the understanding that the Bank shall settle those obligations under the conditions which applied in 1962;

(2) increased share in obligations towards foreign countries in connection with projects in those branches of the economy whose financing was continued from the General Investment Fund, and which were completed by the end of 1962;

(3) the payment for the already completed work on conservation of structures whose financing from the General Investment Fund was discontinued on the basis of the provisions of Item 7, Chapter XII, of the 1963 Federal Social Plan; and

(4) the coverage of the difference in the cost of the construction of projects due to the increase in prices by the end of 1962.

Article 22

The amount of 3,200 million dinars shall be used by the Yugoslav Investment Bank for the granting of credits to the public investment funds of the Socialist Republics of Macedonia and Montenegro, and of the Autonomous Province of Kosovo and Metohija, for credits to cover exceeded construction costs under the guaranteed investments in the fields of industry and mining, for which, under other federal regulations, the Yugoslav Investment Bank does not provide funds.

If, in accordance with the provisions of the Law on the Utilization of Federal Funds for Investments in the Economy, the public investment funds are abolished in the Republics, or in the Autonomous Province, referred to in Paragraph 1 of this Article, then those Republics, or the Autonomous Province, shall decide who will be the beneficiary of the credits referred to in the preceding paragraph.

The credits referred to in Paragraph 1 of this Article shall be granted to specific investors, and in specific amounts, in the manner and under the conditions under which credits to cover the exceeded construction costs under the guaranteed investments were granted in 1963.

Article 23

The Yugoslav Investment Bank shall use the amount of 900 million dinars for the continuation of the development of a television network, and shall use the amount of 1,000 million dinars as the federal authority's share in the development of Novi Beograd.

Article 24

The Yugoslav Investment Bank shall use the amount of 4,200 million dinars for the payment of debts against drafts which will fall due in 1964 in connection with foreign commercial credits for the projects completed by the end of 1962, and which have been financed from the General Investment Fund by the end of 1962.

Article 25

The Yugoslav Agricultural Bank shall grant credits for investments in fixed assets amounting to 57,400 million dinars, and for investments in permanent working capital amounting to 7,500 million dinars.

The amount of 57,400 million dinars referred to in Paragraph 1 of this Article, shall be used by the Yugoslav Agricultural Bank as its share in the financing of investments in fixed assets in the field of agriculture, as follows: for increasing the size of arable land in the socialist sector; for investments by work organizations for the purpose of achieving a more profitable production of agricultural articles for the domestic market and for export; for investments in mechanization; for primary processing of agricultural products; for the building of storage space for agricultural products; for the development of minor irrigation systems which yield quick results in production; for the building of factories producing animal fodder and raw materials of albumen origin.

Article 26

The Yugoslav Foreign Trade Bank shall use the amount of 10,000 million dinars for participation in the granting of credits for investments in the advancement of production for export; the amount of 50,800 million dinars for the granting of credits for the export of equipment on credit, and for the construction of capital projects in foreign countries; and the amount of 2,500 million dinars for investments in permanent working capital.

Article 27

The National Bank shall grant credits for those investments by economic organizations which the Bank finances directly, namely: investments in fixed assets up to the amount of 3,000 million dinars; and investments in permanent working capital up to the amount of 1,000 million dinars.

IV. UTILIZATION OF MONEYS LYING IN SPECIFIC PUBLIC FUNDS

Article 28

For the purpose of realizing the specific basic material relations in the economy fixed by the 1964 Yugoslav Social Plan, and for the purpose of the stabilization of the economy, the moneys lying in specific public funds and other specific public moneys may be used according to the provisions of Articles 29 to 38 of this Law.

1. Utilization of Public Funds Established under Federal Regulations

Article 29

The moneys lying in the house-building funds, in the public funds for education, and in the Fund for the Rebuilding and Development of Skoplje, may be used in the year 1964 in the full amount in which they are acquired.

The moneys lying in the public investment funds, acquired during 1964, may be used in that year only for credits to economic organizations for investment in permanent working capital.

Article 30

The moneys lying in the public investment funds established under federal regulations, acquired during the year 1964, may be used in full amount in that year if they derive from:

(1) subsidies given in the year 1964 for specific purposes;

(2) funds acquired from annuities on credits which were granted from federal resources, or from the now abolished General Investment Fund, to investors, in the economically underdeveloped regions of the country, and which, in accordance with the provisions of the Federal Social Plans and the provisions of Article 11 of this Law, have been ceded to the public investment funds in those regions; and

(3) the amounts which economic organizations pay during the year 1964 in the form of contribution to the public investment funds on the basis of the annual financial reports (zavrsni racuni) for the year 1963.

Article 31

As an exception to the provisions of Article 29, Paragraph 2, of this Law, the public investment funds of the Republics may also use the moneys acquired during the current year on the basis of collected annuities for investments in fixed assets.

Article 32

For the purpose of ensuring investments in permanent working capital in proportion to the investments in fixed assets, a maximum of up to 65 per cent of the moneys lying in the public investment funds acquired during the course of preceding years may be used for the granting of credits for investments in fixed assets, and a minimum of 35 per cent for credits for permanent working capital.

The provision of Paragraph 1 of this Article shall not apply to:

(1) the investment funds of the Republics; and

(2) the moneys lying in the public investment funds which are used for participation in investment expenditures, or for guaranteed amounts, under credits granted in preceding years from the General Investment Fund, and in the year 1964 from the funds of specialized banks.

Article 33

If, in accordance with the corresponding provisions of the Law on the Utilization of Federal Funds for Investments in the Economy, socio-political communities abolish their public investment funds, they must, in regulating the relations created by this abolition, ensure application of the provisions of Articles 31 and 32 of this Law.

2. Utilization of Obligatory Reserve Funds

Article 34

In 1964, the obligatory setting aside of reserve funds shall not be effected, nor the setting aside of special obligatory reserves, under decisions of the Republics.

The moneys lying in the obligatory reserve funds, set aside during the year 1963, may be used in 1964.

As an exception to the provision of Paragraph 2 of this Article, the moneys in the obligatory reserve funds which economic organizations have set aside during the years 1961, 1962, and 1963, may not be used in 1964, unless specified otherwise under a federal law, or under regulations by the Federal Executive Council, introduced on the basis of federal laws.

The provision of the preceding paragraph shall not apply to institutions in the field of medical services nor to other institutions which operate in accordance with the regulations which govern economic organizations.

3. Special Budget Reserve

Article 35

Socio-political communities may not spend 10 per cent of the budget revenues which they achieve during the year 1964.

The provisions of the preceding paragraph shall not apply to the federal budget revenues.

Socio-political communities shall not set aside funds for the special budget reserve, referred to in Paragraph 1 of this Article, from the part of their incomes which they achieve through a subsidy from federal funds; from the part of their funds which they give as a subsidy to other socio-political communities, or to the public funds for education, nor from the part of their incomes which they set aside, in specific amounts, for the public funds for education.

Article 36

As an exception to the provision of Article 35, Paragraph 1, of this Law, the Republics may authorize individual socio-political communities to use the funds set aside in their budget reserves, on the understanding that the total amount of the funds thus used is not higher than 20 per cent of the total amount of the special budget reserve accumulated by socio-political communities on the territory of a Republic.

Article 37

The funds representing the special budget reserve of socio-political communities, formed on the basis of Item 4, Chapter XVI, of the 1963 Federal Social Plan, and fixed by the annual statements (zavrsni racuni) on the execution of the budgets, may be used in the year 1964.

4. Utilization of the Net Income of Railway Transport Enterprises

Article 38

For the purpose of securing funds for the necessary amount of investments in the field of railway transport, in 1964 railway transport enterprises may use the moneys representing their net income earned in that year, after deduction of the part of the net income used for payment of personal earnings to the workers, for financing investments for which resources from the business fund are used.

V. CREDIT POLICY MEASURES

Article 39

The National Bank shall grant credits to commercial banks for the purpose of increasing their credit ability, if their operations are in keeping with the aims and measures of the credit policy laid down under the 1964 Yugoslav Social Plan, or under this Law and other federal regulations.

For the purpose of covering the uneven inflow of federal revenues during the current year, the National Bank may grant credits, which must be repaid by the end of the fiscal year at the latest.

The National Bank may grant credits to specialized banks to cover the uneven inflow of revenues achieved from annuities during the current year, Those credits must be repaid by the end of the year 1964 at the latest.

Article 40

The National Bank shall grant credits referred to in Article 39 of this Law to commercial banks which use their own bank funds, together with the credits which they obtain from the National Bank, for the granting of short-term credits:

(1) to economic organizations--for working capital for trade in goods, for specific stocks of goods, and for specific business operations;

(2) to independent institutions--for payments which are connected with current business operations;

(3) to socio-political communities, to the public funds for education, and to social security institutes--for the purpose of covering the differences between the foreseen and achieved incomes resulting from the uneven inflow of revenues;

(4) to the reserve funds of the Republics and opstina (to joint reserves of economic organizations)--for increasing their funds for the granting of credits; and

(5) to the population--for consumer credits.

The credits referred to in Paragraph 1 of this Article may be granted with a repayment period of up to one year, with the exception of credits to economic organizations for specific business operations, and the consumer credits, which may be granted with a longer repayment period, in accordance with federal regulations.

Article 41

Besides the credits referred to in Article 40 of this Law, commercial banks may, from the funds and in amounts specified by the Federal Executive Council, grant credits, with a repayment period of up to three years, for the purpose of putting to better uses existing conditions for production, in cases when, by minor investments, increases in the production of goods for export or of goods for which there is increased demand in the domestic market, can be achieved within a short period.

Article 42

Commercial banks may, unless otherwise determined by federal regulations, grant credits for the sale or purchase of mass-produced equipment in the country, for the giving of short-term credits for participation in the utilization of loans for investments and for other purposes, except for the purposes referred to in Article 40 and 41 of this Law, from the resources of their own credit funds and from the monetary resources of their other funds, except the reserve funds; from the deposit of fixed savings, and other fixed deposits; and from the resources accumulated by issuance of bonds and treasury bonds, paying attention that the repayment periods for these credits are in harmony with the principles of the policy of ensuring the bank's liquidity.

The funds of commercial banks accumulated under foreign loans, as well as the funds obtained from loans raised in the country (guarantee amounts, participations), the deposits accumulated through the sale of foreign exchange, and other bank moneys which, by their character, represent fixed deposits, may be used by these banks in accordance with Paragraph 1 of this Article.

As an exception, commercial banks may grant credits for the purposes referred to in Paragraph 1 of this Article also from the savings deposits without fixed dates (neoroceni ulozi) amounting up to 20 per cent of the total amount of those deposits, but must ensure the bank's liquidity.

Article 43

The Federal Executive Council shall, by a regulation on the credit policy for the year 1964, fix in particular:

(1) the specific purposes for which, and the conditions under which, commercial banks may grant credits to credit beneficiaries stated in Articles 40 to 42 of this Law for the purposes stated in those Articles;

(2) the amounts and the terms of the credits which the National Bank will grant to the Directorate for Raw Materials and to the Directorate for Foodstuffs for the purpose of increasing standing reserves, and for the formation of provisional market reserves; and

(3) the business operations which are considered specific business operations in the sense of the provisions of Article 40, Paragraph 1, Item 1, of this Law.

Article 44

To those commercial banks which do not keep to the aims and measures of the credit policy fixed by the 1964 Yugoslav Social Plan, to the provisions of this Law, or to other federal regulations, the National Bank may refuse further credits asked for by those banks, and may also demand payment of the previously granted credits.

Article 45

Payment by agricultural organizations in 1964 of annuities, which fall due in that year, on credits to cover losses in agriculture, credits which were granted from federal resources either directly or through the reserve funds of the Republics, shall be deferred.

Payment in 1964 of annuities on credits granted from federal resources to the reserve funds of the Republics for the purpose of granting credits to agricultural organizations to cover losses in agriculture, shall also be deferred.

The banks shall defer payment of the annuities referred to in Paragraphs 1 and 2 of this Article, on the condition that payment by agricultural organizations of annuities on credits which have been granted to those organizations from the resources of other socio-political communities, for the purpose of covering losses, is also deferred in the year 1964.

Special additional funds from federal resources shall be allocated to the Yugoslav Agricultural Bank in an amount equal to the amount of the unpaid annuities on credits which were granted from the General Investment Fund for the coverage of losses of agricultural organizations, and whose payment in 1964 is deferred under the provisions of this Article.

VI. FEES WHICH INDUSTRIAL AND MINING ECONOMIC ORGANIZATIONS PAY FOR THE USE AND EXPLOITATION OF WATER IN 1964

Article 46

The validity of the 1963 Decision on the fees (naknada) which industrial and mining economic organizations have to pay for the use and exploitation of water (Official Gazette of the SFRY,. No. 25/63), shall remain in force in 1964.

VII. AUTHORIZATION FOR THE INTRODUCTION OF REGULATIONS IN THE FIELD OF PRICES AND RATES

Article 47

For the purpose of carrying out a further stabilization of the market and maintaining the level of prices and rates (tarife) fixed by the 1964 Yugoslav Social Plan, the Federal Executive Council is authorized to:

(1) prescribe selling prices or rates for specific products and services, and the manner of the formation of those prices and rates;

(2) limit the level of prices and rates in the communal economy;

(3) pending the introduction of a special law, introduce regulations exempting the export of goods and services from specific obligations towards the community; and

(4) pending the introduction of a special law, issue regulations on refunds and premiums in the economy, as well as regulations on the utilization of subsidies given from federal resources to sea, river, and air transport economic organizations for the purpose of running specific lines of interest for the whole of the country.

The regulations of the Federal Executive Council on limitation of the levels of fees and turnover taxes which are prescribed by socio-political communities, as well as the regulations on reduced fares in passenger transport, which applied in 1963, shall also apply in 1964 until the introduction of respective federal laws.

The Federal Executive Council shall be authorized to prescribe that the plus differences achieved in 1963 by the Directorate for Foodstuffs and the Directorate for Raw Materials in their business operations with the state material reserves, may be used for the building of warehouses for the state material reserves.

VIII. FINAL PROVISION

Article 48

This Law enters into effect on the eighth day following the date of its publication in the Official Gazette of the SFRY, and shall apply as of January 1, 1964.

LAW ON THE FEDERAL BUDGET FOR 1964

DECREE

PROCLAIMING THE LAW ON THE FEDERAL BUDGET FOR 1964

Under Article 217, Paragraph 1, Item 1, of the Constitution of the Socialist Federal Republic of Yugoslavia, I issue the following

DECREE

PROCLAIMING THE LAW ON THE FEDERAL BUDGET FOR 1964

The Law on the 1964 Federal Budget which was adopted by the Federal Assembly at the meeting of the Federal Chamber of December 27, 1963, and at the meeting of the Organizational-Political Chamber of December 27, 1963, is hereby proclaimed.

P.R. No. 26
Belgrade, December 30, 1963

President of the Republic,
Josip Broz Tito

President of the
Federal Assembly,
Edvard Kardelj

LAW
ON
THE FEDERAL BUDGET FOR 1964

Article 1

The Federal Budget for 1964 contains:

Revenues amounting to......Dinars 721,700,000,000
Expenditures amounting to..Dinars 721,700,000,000

Article 2

The 1964 Federal Budget expenditures are divided, according to the purposes for which they serve, into five parts as follows:

Part 1: Expenditures of the federal organs, institutions, and organizations, amounting to 62,107,000,000 dinars;

Part 2: Expenditures on national defense, amounting to 319,600,000,000 dinars;

Part 3: Expenditures on general public requirements, amounting to 81,000,000,000 dinars;

Part 4: Subsidies to the Republics, amounting to 57,700,000,000 dinars; and

Part 5: Funds for intervention in the economy, amounting to 201,293,000,000 dinars.

Article 3

The funds provided under Part 1, section 45, shall be used on the basis of written contracts concluded by:

(1) the Federal Secretariat for Information--for appropriation 180, sub-allotment 1, with the "Tanjug" News Agency;

(2) the Federal Secretariat for Public Health and Social Welfare--for appropriation 180, sub-allotment 2, with the Federal Institute for Health Protection;

(3) the Federal Secretariat for Labour and the Federal Secretariat for Industry--for appropriation 180, sub-allotment 3, with the Yugoslav Institute for Productivity of Labour;

(4) the Federal Insitute for Economic Planning--for appropriation 180, sub-allotment 4, with the Yugoslav Insitute for Economic Research;

(5) the Federal Secretariat for Education and Culture--for appropriation 180, sub-allotment 5, with the Yugoslav Institute for the Study of School and Educational Questions;

(6) the Federal Secretariat for Education and Culture--for appropriation 180, sub-allotment 6, with the Yugoslav Institute for the Protection of Cultural Monuments;

(7) the Federal Geodetic Board--for appropriation 180, sub-allotment 7, with the Institute for Photogrammetry.

Article 4

The treasurers of the funds (nosioci srestava) provided in Part 3 shall be:

(1) the Commission for Cultural Relations with Foreign Countries--for section 1, appropriation 211;

(2) the Federal Secretariat for Information--for section 7, appropriation 217, sub-allotment 1;

(3) the Council for Questions of Emigrants--for section 7, appropriation 217, sub-allotment 2;

(4) the Federal Committee on Tourism--for section 8, appropriation 218;

(5) the Federal Institute for International Technical Cooperation--for section 9, appropriation 219;

(6) the Federal Secretariat for Industry--for section 14, appropriation 224;

(7) the Federal Secretariat for Education and Culture--for section 17, appropriation 227;

(8) the Federal Secretariat for Public Health and Social Welfare--for section 20, appropriation 230; and

(9) the Federal Secretariat for Finance--for section 21, appropriations 231 and 232.

Article 5

The following funds, provided in Part 3, shall be used on the basis of written contracts concluded by:

(1) the Federal Secretariat for Information:

(a) with the Yugoslav Radio--for section 2, appropriation 212; for section 3, appropriation 213; for section 5, appropriation 215;

(b) with Belgrade Radio-Television--for section 4, appropriation 214;

(c) with the journal Medjunarodna Politika (International Politics)--for section 6, appropriation 216;

(2) the Federal Secretariat for Public Health and Social Welfare with the Federal Institute for Rehabilitation--for section 11, appropriation 221;

(3) the Federal Secretariat for Transport and Communications:

(a) with the Institute for the Maintenance of Sea Navigation Routes--for section 12, appropriation 222, sub-allotment 1;

(b) with the Institute for the Maintenance of Inland Navigation Routes--for section 12, appropriation 222, sub-allotment 2;

(4) the Federal Secretariat for Agriculture and Forestry with the Yugoslav Dairy Institute--for section 15, appropriation 225; and

(5) the Federal Geodetic Board with those enterprises which carry out the work of land surveying--for section 18, appropriation 228.

Article 6

The treasurers of the funds provided in Part 5, shall be:

(1) the Federal Secretariat for Agriculture and Forestry--for section 1, appropriation 239, appropriation 247, and appropriation 248;

(2) the Federal Secretariat fpr Industry--for section 1, appropriation 240;

(3) the Federal Secretariat for Transport and Communications--for section 1, appropriation 241 and appropriation 244;

(4) the Federal Secretariat for Commerce--for section 1, appropriation 242;

(5) the Federal Nuclear Energy Commission--for section 1, appropriation 245;

(6) the Federal Geology Institute--for section 1, appropriation 246; and

(7) the Federal Secretariat for Foreign Trade--for section 2, appropriation 250.

The treadurers of the funds referred to in Paragraph 1 of this Article shall submit to the Federal Executive Council quarterly reports on the expenditures made and on the results achieved. These reports shall be submitted through the Federal Secretariat for Finance and the Federal Secretariat for the Budget and the Organization of Administration.

Article 7

The refunds and premiums in specific branches of the economy and the subsidies in specific branches of transport, for which funds are provided under the Federal Budget for intervention in the economy, shall be granted according to the regulations which the Federal Executive Council shall introduce.

For the implementation of the regulations referred to in Paragraph 1 of this Article, the treasurers of the funds are hereby authorized to fix, in agreement with the Federal Secretariat for Finance, more detailed conditions and the manner of utilization of the funds of which they are treasurers;

Article 8

The obligations in connection with the abolished refunds from the funds provided in Part 5, Section 1, Appropriation 243, shall be met by the Federal Secretariat for the Budget and Organization of Administration.

Article 9

The funds for the requirements in the field of nuclear energy, for geological-mining and prospecting work, for water regulation (vodoprivreda), and for the advancement of agriculture and forestry, shall be used on the basis of programs which the Federal Executive Council shall introduce on the proposal of the treasurers of the funds.

The treasurers of the funds for the implementation of the programs referred to in Paragraph 1, of this Article, are hereby authorized to fix, in agreement with the Federal Secretariat for Finance, more detailed conditions and the manner of utilization of the funds whose treasurers they are.

Pending the introduction of the programs, but at the latest by March 31, 1964, provisional financing may be effected from these funds on the proposal of the treasurers of the funds in agreement with the Federal Secretariat for Finance, and with the Federal Secretariat for the Budget and the Organization of Administration.

Article 10

The obligations incurred in the year 1963 under the regulations on refunds, premiums, and subsidies, but not settled by the end of 1963, may be settled by debiting the 1964 Federal Budget funds, earmarked for the same purposes, by March 31, 1964, unless different time-limits are set by those regulations.

As an exception, the beneficiaries of refunds and premiums in the field of agriculture may be paid the refunds or premiums from the year 1963 by June 30, 1964, unless different time-limits are fixed under the regulations on refunds and premiums in the field of agriculture.

Article 11

The funds provided under the 1963 Federal Budget for refunds and animal fodder transport expenses (appropriation 252, sub-allotment 5) and for refunds for the building of sea vessels (appropriation 254, sub-allotment 1) which are not spent by the end of 1963, may be used in 1964 for settlement of the obligations incurred on the same basis in 1963.

The funds provided under the 1963 Federal Budget for subsidies to enterprises in the field of transport (appropriation 256) which have not been used by the end of 1963, may be used in 1964 for settlement of the obligations incurred on the same basis till the end of 1963.

The funds provided under the 1963 Federal Budget for nuclear energy (appropriation 257), for geodetic-mining prospecting work (appropriation 258), for water regulation((appropriation 259), and for the promotion of agriculture and forestry (appropriation 260), which have not been spent by the end of 1963, shall be carried forward to the year 1964, and used for the same purposes.

The expenditure of these funds shall be separately shown in the balance-sheet (zavrsni racun) for the year 1964.

Article 12

The funds provided under the 1963 Federal Budget for investments and not spent by the end of 1963, and the funds allocated for this purpose during the year 1963 from the budget reserve, shall be used for the same purposes until the final completion of the tasks for which they were intended, or according to time limits which the Federal Secretariat for the Budget and the Organization of Administration shall fix.

The provision of Paragraph 1 of this Article shall also apply with respect to the funds which were provided for investments under the budgets of the preceding years, and which have not been spent by the end of 1963.

Article 13

From the funds provided under the 1964 Federal Budget for house-building, the Federal Executive Council may set aside specific amounts for the granting of credits for the construction of apartment buildings which the employees of federal organs are constructing with their own funds.

The conditions and the manner of utilization of the funds set aside for the purposes referred to in Paragraph 1 of this Article, shall be fixed by the Federal Executive Council.

Article 14

If, during the course of the year, the federal organs of the administration obtain the status of institutions, the Federal Executive Council shall determine whether the funds provided under the estimates of those organs will continue to be used for the performance of the activities for which the institutions have been established.

Article 15

In case of a change in the organization of the federal administration, the Federal Executive Council may change the amounts of the funds provided under Sections 1 to 50, Part 1, of the Federal Budget for the year 1964, and the purposes for which those funds may be used.

Article 16

Changes in the purposes for which the funds are to be used, and changes in the amounts of funds between individual appropriations under the same Chapter, and between individual Chapters of the same Section, may be effected by heads of organs, in agreement with the Federal Secretariat for the Budget and the Organization of Administration.

Funds intended for material expenditures may not be used for personnel expenditures.

The law on the Budget of a Republic may prescribe that the organs of administration of the Republic effect changes in the amount of the funds, and in the purposes for which the funds are to be used, under the budget of the Republic in accordance with Paragraph 1 and 2 of this Article.

Article 17

The funds provided under Part 1, Section 44, Appropriation 179, for pay increases, shall be distributed among individual federal organs by the Federal Executive Council or by the organ which the Council shall designate. Those funds shall be used for pay increases, for promotion of employees, and for new appointments.

Article 18

Appointment of personnel beyond the number fixed by the estimates of the federal organs, may be effected only in agreement with the Federal Secretariat for the Budget and the Organization of Administration.

The Federal Executive Council, or the organ which it shall designate, shall decide on complaints filed against decisions on agreement with the organ referred to in Paragraph 1 of this Article.

Article 19

The distribution of the funds foreseen under the financial plan of the Yugoslav State Lottery among social and humanitarian public organizations shall be effected, on the proposal of the Executive Committee of the Yugoslav State Lottery, by the Federal Secretariat for Public Health and Social Welfare, together with the Federal Secretariat for the Budget and the Organization of Administration, in agreement with the Federal Executive Council.

Article 20

This Law enters into effect on January 1, 1964.

REVIEW
OF
THE 1964 FEDERAL BUDGET REVENUES AND EXPENDITURES

REVENUES

Part I	Federal Budget's share in common revenues	52,000,000,000
Part II	Federal Budget's special revenues:	
	1. Turnover tax	368,000,000,000
	2. General turnover tax	92,000,000,000
	3. Part of contribution from income of economic organizations	32,000,000,000
	4. Customs duties	168,900,000,000
	5. Turnover tax on wine and brandy	2,000,000,000
Part III	Revenues of federal organs	4,000,000,000
Part IV	Other revenues	2,800,000,000
	TOTAL REVENUES:	721,700,000,000

EXPENDITURES

Part I	Expenditures of federal organs, institutions, and organizations:	
	1. Expenditures of federal organs:	
	-Personal expenditures	23,800,000,000
	-Material expenditures	10,799,000,000
	2. Funds for activities of autonomous institutions	1,335,000,000
	3. Subsidies:	
	-To autonomous institutions	1,795,000,000
	-To social organizations	2,330,000,000
	4. Investments:	
	-New investments	10,100,000,000
	-Annuities on credits for house-building	100,000,000
	5. Budget obligations and budget reserves:	
	-Budget obligations from preceding years	1,448,000,000
	-Budget reserve	10,400,000,000
	Total Part I	62,107,000,000
Part II	National defense expenditures	319,600,000,000
	Total Part II	319,600,000,000

Part III	Funds for general public requirements:	
	1. Funds for various general public requirements	7,800,000,000
	2. Disability emoluments of disabled war veterans including health protection	29,750,000,000
	3. Internal loan obligations	1,150,000,000
	4. Foreign loan obligations, and for nationalized foreign property	42,300,000,000
	Total Part III	81,000,000,000
Part IV	Subsidies to Socialist Republics:	
	1. General subsidies	50,640,000,000
	2. Special subsidies	7,060,000,000
	Total Part IV	57,700,000,000
Part V	Funds for interventions in the economy:	
	1. Refunds and premiums	112,535,000,000
	2. Funds for payment of the abolished refunds	550,000,000
	3. Subsidies to enterprises in the field of transport	2,208,000,000
	4. Funds for the advancement of economic fields	20,000,000,000
	5. Funds for export premiums	66,000,000,000
	Total Part V	201,293,000,000
	TOTAL EXPENDITURES	721,700,000,000